

## TWENTY-SIXTH DAY

Tuesday, March 6, 2007

The House of Representatives of the Twenty-Fourth Legislature of the State of Hawaii, Regular Session of 2007, convened at 9:09 o'clock a.m., with the Speaker presiding.

The invocation was delivered by Miss Seiko Chow, a 4th grade student at Makalapa Elementary School, after which the Roll was called showing all members present with the exception of Representatives Takai and Thielen, who were excused.

By unanimous consent, reading and approval of the Journal of the House of Representatives of the Twenty-Fifth Day was deferred.

## GOVERNOR'S MESSAGE

The following message from the Governor (Gov. Msg. No. 284) was received and announced by the Clerk and was placed on file:

Gov. Msg. No. 284, informing the House that on March 5, 2007, the following bill was signed into law:

H.B. No. 1073, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM." (ACT 002)

## INTRODUCTION

The following introduction was made to the members of the House:

Representative Karamatsu introduced Dr. Kristen Low.

Representative Har introduced 3rd, 4th, and 5th grade students from Mauka Lani Elementary School, and their advisors from the Mauka Lani 'Ohana Council, Mrs. Arisa Domingo, Ms. Tammy Sakato and Keahi Teson.

## ORDER OF THE DAY

## COMMITTEE ASSIGNMENTS

The following resolutions and concurrent resolutions were referred to committee by the Speaker:

**H.R.****Nos.****Referred to:**

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| 32 | Committee on Transportation, then to the Committee on Finance |
| 33 | Committee on Health, then to the Committee on Finance         |

**H.C.R.****Nos.****Referred to:**

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| 51 | Committee on Human Services & Housing, then to the Committee on Legislative Management |
| 52 | Committee on Transportation, then to the Committee on Finance                          |
| 53 | Committee on Health, then to the Committee on Finance                                  |

At 9:14 o'clock a.m., Representative B. Oshiro requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 9:27 o'clock a.m.

## CONSENT CALENDAR

## SUSPENSION OF RULES

On motion by Representative B. Oshiro, seconded by Representative Meyer and carried, the rules were suspended for the purpose of considering certain bills on Third Reading on the basis of a modified consent calendar. (Representatives Awana, Takai and Thielen were excused.)

At this time, the Chair announced:

"Members, we are on Part I, Consent Calendar. We will be taking up all measures and items on the Consent Calendar. Because it is the Consent Calendar, there will be no discussion on these items agreed to by both sides of this body, the Majority Caucus and the Minority Caucus for placement on the Consent Calendar."

## UNFINISHED BUSINESS

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 871) recommending that H.B. No. 1307, HD 1, as amended in HD 2, pass 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. 1307, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 872) recommending that H.B. No. 1628, as amended in HD 1, pass 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. 1628, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAII MACADAMIA NUT PRODUCT LABELING," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 874) recommending that H.B. No. 362, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 362, HD 1 pass Third Reading, seconded by Representative B. Oshiro.

Representative Lee submitted written remarks in support of the measure as follows:

"Mr. Speaker, I am in support of this measure. Mr. Speaker, we live in an area that is experiencing a traffic crisis. This crisis only grows worse year after year. When there is an accident on our roadways, it makes the traffic crisis almost unbearable. This bill allows for the removal of any vehicle involved in an accident resulting only in damage to a vehicle or other property that is driven or attended by any person off the roadway, including the shoulder or median of the road as close to the scene of the accident as possible. This would not only allow traffic to continue and thus help relieve the already congested roadways, but it would improve the safety conditions for all motorists and emergency responders.

"Mr. Speaker, the Tennessee Department of Transportation's informational brochure on their State law says that national studies have shown that up to 20% of all collisions on interstate-type roadways are "secondary", attributable to an earlier crash that has not been fully cleared. Also, one minute spent on the scene by fire and rescue personnel, police and other responders causes five minutes of traffic congestion. It improves response and clearance times at crash scenes, reduces crash-related traffic congestion and delay, reduces subsequent crashes and improves safety conditions for fire and rescue, police and other responders.

"Mr. Speaker this is a good and necessary bill and I urge my colleagues to vote in favor of the measure. 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. 362, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE ACCIDENTS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 878) recommending that H.B. No. 1311, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1311, HD 1 pass Third Reading, seconded by Representative B. Oshiro.

Representative Cabanilla submitted written remarks in support of the measure as follows:

"Mr. Speaker, I am in support of HB 1311. The Money Transmitter Act that was passed last year was supported by a group of big money transmitters on the mainland to squeeze out the little local money transmitters in the State.

"Because the Act was initiated by a group of mainland based big money companies, there are tones of neo-colonialism and racism since many of those being adversely affected are Americans of Filipino descent or banks organized in the Philippines.

"The money transmitters bill that was passed last year, SB 2143, SD 2, HD 1, CD1 Money Transmitters 5/31/06 – Act 153, signed on 5/31/06 (Gov. Msg. No. 419) was intended for money lenders, not already heavily over-regulated banks like the Philippine National Bank which is a bank that is registered to do business in Hawaii and is already heavily regulated by both federal and State banking regulators.

"The bill was intended to cover the 'mom and pop' stores that do money transmitting, but not heavily regulated banks like BOH, FHB, ASB, PNB, who already must comply with the most stringent of U.S. banking laws. I urge my colleagues to support this worthy measure."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1311, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MONEY TRANSMITTERS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 880) recommending that H.B. No. 1864, HD 1, as amended in HD 2, pass 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. 1864, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LIABILITY FOR COQUI FROG ERADICATION EFFORTS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 887) recommending that H.B. No. 136, HD 1, as amended in HD 2, pass 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. 136, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AIDS RESEARCH," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 888) recommending that H.B. No. 428, HD 1, as amended in HD 2, pass 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. 428, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 889) recommending that H.B. No. 767, HD 1, as amended in HD 2, pass 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. 767, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE RUNNING START PROGRAM FOR COLLEGE PREPARATION," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 891) recommending that H.B. No. 1014, HD 1, as amended in HD 2, pass 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. 1014, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 892) recommending that H.B. No. 1528, HD 1, as amended in HD 2, pass 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. 1528, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 893) recommending that H.B. No. 1530, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1530, HD 1 pass Third Reading, seconded by Representative B. Oshiro.

Representative Ching submitted written remarks in support of the measure as follows:

"While I support the intent of this bill that offers a recruitment and retention incentive for teachers and educational assistants to work in public schools located in rural areas, my reservations are based on the concerns of Department of Budget and Finance Director Georgina Kawamura. I share the sentiment of the Department that we should not support the creation of any special fund which does not meet the requirements of Section 37-52.3 of the Hawaii Revised

Statutes. Special or revolving funds should: 1) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program; 2) provide an appropriate means of financing for the program or activity; and 3) demonstrate the capacity to be financially self-sustaining. It is difficult to determine whether the proposed funds will be self-sustaining."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1530, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 894) recommending that H.B. No. 1531, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1531, HD 2 pass Third Reading, seconded by Representative B. Oshiro.

Representative Cabanilla submitted written remarks in support of the measure as follows:

"In strong support of HB 1531. Last Session I introduced HB 3103 to bring nursing instruction to Leeward Community College. However, the measure did not pass.

"This year, I introduced HB 1811 to bring nursing instruction to Leeward Community College in which it passed the Higher Education Committee and was waived by the Health Committee for passage, but was not heard in Finance Committee in time for First Lateral. Thus, the measure was thought to be dead.

"However, under the leadership and guidance from Finance Chair Marcus Oshiro, the appropriation for nursing positions to be applicable to Leeward Community College's curriculum was incorporated into HB 1531, HD 2.

"The demand for nursing instruction to be able to cater to the Leeward population of Oahu is warranted. Such instruction offered at LCC will be heavily utilized by nursing students seeking to counter our nursing shortage."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1531, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 895) recommending that H.B. No. 104, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 104, HD 2 pass Third Reading, seconded by Representative B. Oshiro.

Representative Shimabukuro submitted written remarks in support of the measure as follows:

"I am in support of this measure. The purpose of this bill is to establish a process by which Medicaid fee-for-service individual provider reimbursement rates are increased annually for inflation and retroactively adjust for inflation, payments made to providers of hospital outpatient services, and other individual providers to account for the lack of a rate increase for the past five years.

"Hawaii's hospitals have annually lost millions of dollars because government reimbursement is far below cost. Between 2003-2005, Medicaid payments to hospitals covered only 73%-78% of total Medicaid costs, creating a strain on the hospitals financial stability.

"We don't want to create a situation where hospitals start cutting corners or refusing patient just to save a few bucks. We want them to provide the best care possible and not have to worry about where the money will come from. We need hospitals to see patients as people who need care and not as a financial burden."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 104, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 897) recommending that H.B. No. 453, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 453, HD 1 pass Third Reading, seconded by Representative B. Oshiro.

Representative Lee submitted written remarks in support of the measure as follows:

"Mr. Speaker, I am in support of this measure. Mr. Speaker, in 1964 then Governor John A. Burns, established the Hawaii State Commission on the Status of Women. The Legislature then found that their work demonstrated the need for a continuing body to aid in the implementation of recommendations, to develop long range goals and to coordinate research planning, programming and action on the opportunities, need, problems and contributions of women in Hawaii.

"In its over 40 years of existence, Mr. Speaker, the Commission has worked to ensure women's rights, continue to advocate for the elimination of gender discrimination and identify and support programs for women. This bill appropriates moneys for the Hawaii State Commission on the Status of Women for programming, travel, and office expenses so they can continue their purpose in helping the women of our State. I urge all of my colleagues to support this piece of legislation. 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. 453, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE STATE COMMISSION ON THE STATUS OF WOMEN," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 898) recommending that H.B. No. 906, as amended in HD 1, pass 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. 906, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 899) recommending that H.B. No. 928, as amended in HD 1, pass 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. 928, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SOCIAL SERVICES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 903) recommending that H.B. No. 1283, HD 1, as amended in HD 2, pass 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. 1283, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Berg voting no, and Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 904) recommending that H.B. No. 1356, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1356, HD 2 pass Third Reading, seconded by Representative B. Oshiro.

Representative Shimabukuro submitted written remarks in support of the measure as follows:

"I am in support of this measure. The purpose of this bill is to expand the opportunity for former foster youth to pursue and complete post-secondary education by increasing the length of the time to apply for a higher education board allowance and extending the maximum benefit length from 48 months to 60 months.

"Former foster youth are at much higher risk than the general population of becoming homeless, incarcerated, involved in violence, or to re-enter the system as parents of abused and neglected children. Upon turning 18, many youths leave the system with a desire for "freedom", but after a year or two they find they are not capable of surviving on their own. Expanding this program will enable those youth who didn't go to college or job training programs immediately after exiting to have avenues to escape the poverty that often accompanies a young adult with no training, no skills, and no support system.

"Passage of this bill will further the goal of transitioning our foster youth and helping them become healthy, productive adults."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1356, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HIGHER EDUCATION BOARD ALLOWANCE FOR FORMER FOSTER YOUTH," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Evans voting no, and Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 905) recommending that H.B. No. 1361, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1361, HD 1 pass Third Reading, seconded by Representative B. Oshiro.

Representative Shimabukuro submitted written remarks in support of the measure as follows:

"House Bill 1361 makes corrections to Chapter 356D Hawaii Revised Statutes to reflect the Legislature's intent to codify and make technical and housekeeping amendments to various Acts passed during the Regular Session of 2006 into Chapter 356D, Hawaii Revised Statutes .

"Section 356D-1 will be amended by adding a new definition for "tenant".

"Section 356D-92 amends subsection (f) relating to procedures for grievance hearings and termination of tenancy.

"Section 521-7 lists the exclusion from application for this Chapter.

"Section 356D-97 clarifies appeal rights subject to Chapter 600, Rules of the Court.

"And finally, Section 356D relates to temporary emergency housing.

"Thank you for the opportunity to make these corrections pertaining to Chapter 356D as enacted by the Regular Session of 2006."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1361, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 906) recommending that H.B. No. 1364, HD 1, as amended in HD 2, pass 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. 1364, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE STATE RENT SUPPLEMENT PROGRAM," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 909) recommending that H.B. No. 528, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 528, HD 2 pass Third Reading, seconded by Representative B. Oshiro.

Representative Shimabukuro submitted written remarks in support of the measure as follows:

"I am in support of this measure. The purpose of this bill is to allow a minor who is not under the care, supervision, or control of a parent, custodian, or legal guardian, to consent to the provision of primary medical care and service.

"Unfortunately, in our society there are many teens without dependable adults in their lives. These teens have often been prevented from obtaining appropriate medical care due to a lack of responsible parent or guardian to provide consent for their health care.

"Passage of HB 528 will help Hawaii's most disadvantaged youth receive the medical care and services they need."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 528, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MINORS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 910) recommending that H.B. No. 624, HD 1, as amended in HD 2, pass 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. 624, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PAROLE," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 911) recommending that H.B. No. 1215, HD 1, as amended in HD 2, pass 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. 1215, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC INFRACTIONS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 912) recommending that H.B. No. 1260, as amended in HD 1, pass 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. 1260, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SENTENCING," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 914) recommending that H.B. No. 1548, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1548, HD 1 pass Third Reading, seconded by Representative B. Oshiro.

Representative Cabanilla submitted written remarks in support of the measure as follows:

"In strong support of HB1548. Those on drugs committing crimes need to clean up their act if and when paroled. Maui, the Second Circuit, has modules within the prison system to separate those undergoing drug treatment from the rest of the prison population.

"It is a fact that drugs still permeate our prisons. Therefore, the First Circuit on Oahu must employ the same criteria to ensure an environment in which abstinence can be achieved.

"This measure will permit the criminal justice system to employ means to provide drug treatment in secured prison facilities. A common sense approach."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1548, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DRUG TREATMENT," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 915) recommending that H.B. No. 692, HD 1, as amended in HD 2, pass 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. 692, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 916) recommending that H.B. No. 1004, HD 1, as amended in HD 2, pass 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. 1004, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER ADVOCACY," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 917) recommending that H.B. No. 1005, HD 1, as amended in HD 2, pass 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. 1005, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 919) recommending that H.B. No. 1334, as amended in HD 1, pass 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. 1334, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROFESSIONAL AND VOCATIONAL LICENSING FEES," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Brower voting no, and Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 920) recommending that H.B. No. 1338, HD 1, as amended in HD 2, pass 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. 1338, HD 2, entitled: "A BILL FOR AN ACT MAKING EMERGENCY APPROPRIATIONS FOR THE DIVISION OF CONSUMER ADVOCACY," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 921) recommending that H.B. No. 592, as amended in HD 1, pass 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. 592, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATIONAL ASSISTANTS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 922) recommending that H.B. No. 595, HD 1, as amended in HD 2, pass 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. 595, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 923) recommending that H.B. No. 55, as amended in HD 1, pass 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. 55, HD 1, entitled: "A BILL FOR AN ACT RELATING TO YOUTH SUICIDE PREVENTION," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 924) recommending that H.B. No. 367, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 367, HD 1 pass Third Reading, seconded by Representative B. Oshiro.

Representative Lee submitted written remarks in support of the measure as follows:

"Mr. Speaker, I am in support of this measure.

"Mr. Speaker, we know that the abuse of alcohol and drugs in our State is too high. We also know that screening, counseling and referral for those who are abusing are effective techniques in reducing such abuse. One way to help the abuse rate is by ensuring that a referral to appropriate alcohol and drug abuse screening and counseling is offered to a patient when an examining physician in a primary care or emergency room setting has good reason to suspect substance abuse by the patient.

"This initial point of contact in a medical setting is a recognized window of opportunity where patients are most vulnerable and open to intervention and dialogue that address their underlying alcohol or drug issues. It is at this "teachable moment" that individuals can benefit from assessment, education, counseling, or, if necessary, referral to treatment.

"This evidence-based, cost-effective program is recognized as a best practice model by the Substance Abuse and Mental Health Services Administration, an agency of the United States Department of Health and Human Services.

"Mr. Speaker, by investing in treatment we will reduce our incarceration rate and therefore reduce the cost to the State in the long-term. I urge my colleagues to support this measure. 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. 367, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SUBSTANCE ABUSE," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 928) recommending that H.B. No. 1292, as amended in HD 1, pass 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. 1292, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 929) recommending that H.B. No. 831, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 831, HD 2 pass Third Reading, seconded by Representative B. Oshiro.

Representative Magaoay submitted written remarks in support of the measure as follows:

"Mr. Speaker, I am in strong support of House Bill 831. Mr. Speaker, I believe that the passage of HB 831, HD 1 will remove a stumbling block that prevents veteran burial grants from reaching those that need it the most.

"Filipino veterans of the New Filipino Scouts are entitled to receive burial grants from the Office of Veterans' Services. However, to qualify for these grants, the Filipino veteran's survivor or an interested party must produce an itemized paid invoice of the services rendered on the behalf of the deceased veteran. Due to the tremendous costs of funeral, burial and transportation services, some families and friends of these veterans cannot afford to pay the costs up front. The purpose of this Act is to remove this stumbling block by instead, requiring the submission of an itemized unpaid invoice.

"This measure would allow grants to be received by those who are in the most financial need, and not just those who can afford to front the costs. These veterans have served bravely for this great country, and it is only right that they receive these benefits. Thank you Mr. Speaker, and I ask my colleagues to support me on this bill."

Representative Cabanilla submitted written remarks in support of the measure as follows:

"Mr. Speaker, I am in support of H.B. 831, HD2 that requires the Office of Veterans' Services, at the request of a survivor or interested party of a deceased Filipino veteran who joined the New Filipino Scouts between October 6, 1945, and June 30, 1947, to make payment directly to a mortuary or crematory for funeral and burial services, and to transport the veteran's remains to the Philippines upon submission of an itemized unpaid invoice.

"The bill however should be modified to include all Filipino veterans and recognized guerilla forces of WWII and the New Filipino Scouts since the New Scouts have parity with the other Filipino veterans of WWII from the US Congress. This burial benefit is based on special needs and would be a token of gratitude and appreciation by our beloved State to show support and gratitude for the sacrifices made by our very own WWII Filipino veterans who risked their lives and liberty to keep and preserve democracy and our American way of life.

"On October 20, 1996, former President William Clinton and on July 26, 2001, President George W. Bush issued their respective Presidential Proclamations recognizing and honoring the vital role of the WWII Filipino Veterans in fighting side by side with their American counterparts to turn back the attacking enemy thus defending liberty and preserving democracy and U.S. freedom and way of life.

"The WWII Filipino Veterans deserve to have the same benefits provided to the 116,000 Allied Soldiers from 66 Allied countries, who were like the Filipino soldiers drafted and inducted under the same set of rules and who participated in the war efforts to help win the war.

"Most of the WWII Fil-Am Veterans residing in the State of Hawaii are too old to work. They could not find jobs to sustain their livelihood, as few are willing to hire old people to work. For most veterans, their only means of support is the meager welfare benefit SSI granted by the government. Most, if not all of the veterans presently residing in Hawaii, have no relatives to assist them in time of emergency.

"The burial grant provided by the State government through the State Legislature has partly solved the major burial problem encountered by veterans. More so with the increased burial expenses currently average over \$6,000 compared to the 1997 burial tax expense of \$3,500, a draconian 40 % increase.

"The attrition rate of death has increased due to the advancing age of the vast majority of Filipino veterans. The cheapest cost of expenditures is as indicated in a chart provided by local mortuary.

"State Burial grants would need to be at about \$6,000 due to the 40% increase in funeral expenditures. The remaining amount that would be needed would be provided by private sources and veterans donors. Once death occurs due to close ties, the customs and traditions dictate that the remains be brought back to their homeland.

"The WWII Fil-Am-Veterans are now in their sunset years of their lives and attention and concern will boost their morale, together with their families. Therefore I appeal to your high sense justice and aloha spirit to continue to extend the Burial Assistance Program.

"Filipino veterans of WWII deserve special consideration for veteran status and rights of citizenship. At the time of their

induction, the Philippines was a part of the US and Filipino veterans were American nationals. They felt they owed their allegiance to America, and fought for America in its time of peril.

"Under American law, the US had the right to draft Filipinos into the US Army because Filipinos were US nationals. In 1941, the US drafted about 200,000 Filipinos to fight under Gen. Douglas MacArthur. In America's and truly the free world's time of desperate need, the Filipinos as US nationals were promised US citizenship and veterans benefits by President Franklin D. Roosevelt.

"The Filipino fought for and rescued America in its darkest moments. Filipino veterans fought side by side with other US troops. But after the war and the threat to the US was gone, the US turned around and bayoneted the Filipinos in the back with the Rescission Act of 1946 renegeing on its promises. This injustice has marred the integrity of America for 61 years.

"Most of the Filipinos still living today have but one dying wish, to see their loved ones before they die. Many would be willing to forego medical treatment at the risk of dying prematurely, if only granted the chance to see their family again. It is virtually impossible for veteran's family in the Philippines to come to the US even to when the veteran is on their death bed; or after their death, even to bury them.

"To make matters worse the currency exchange rate from RP pesos to US dollars gets worse and worse every week working to the disadvantage of Filipino veterans whose entire family lives in the Philippines, unlike other veterans' cases. The average per capita income of veterans in the Philippines is roughly \$50 per month versus in the US it is roughly \$3,500 per month. This is why this bill introduced by the Filipino Caucus Chair Rep. Magaoay for veterans' burial assistance is so desperately needed. The Filipino Caucus has sixteen members, almost one third of this body.

"In 1990, Congress passed a law to allow Filipino veterans to become naturalized citizens. Over 10,000 of them came to the US and became naturalized. Civil rights proponents questioned, how can it be fair for some US veterans living in the US be entitled to VA benefits and others are not? It is an unjust situation.

"The same rights of citizenship should also be available for the children of these veterans. In some cases, the spouse of the veteran is forced to be deported because the backlog at the USCIS is so great, that when the veteran dies before the petition is approved, the petition is automatically void as well. Since they are in their 80s and 90s, their time is running out fast. It takes about 20 to 25 years to petition an adult child and all of the Filipino veterans of WWI are not expected to live that long.

"U.S. Senators Dan Akaka and Daniel Inouye recently introduced Senate Bill 671 that would remove the numerical limits for the sons and daughters of certain Filipino veterans, therefore expediting the visa issuance for them. However, S. 671 does not go far enough.

"Because most of the veterans are now in their 80s and 90s, they are living in extreme poverty, unusually on meager SSI payments. Even if their children can get a visa number, most veterans would not be able to sponsor them because of they can not meet the financial requirements of an affidavit of support. The Congress should also exempt veterans from the financial requirements.

"Granting equity and family reunification to the Filipino veterans is important for America to regain its honor and dignity to be fair to the veterans as well. The nature of world wars today tends to become global, and world partners and allies are necessary. If the US does not rehabilitate its reputation as an honorable and dependable ally, our sons and our daughters will continue to fight and die alone in far away lands like Afghanistan and Iraq, without the help of coalition forces from other countries.

"As long as the US continues to bayonet its allies in the back, no one from any country will be willing to contribute troops to any effort to help the US in foreign wars. The sons and daughters of US citizens will continue to lose their lives and bear the entire burden of the global war on terrorism.

"Mr. Speaker, the Filipino veterans of WWII represent a special needs case that must be rectified in light of the past injustices inflicted upon them. I urge all my colleagues to support this important measure."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 831, HD 2, entitled: "A BILL FOR AN ACT RELATING TO VETERAN BURIAL GRANTS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 930) recommending that H.B. No. 457, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 457, HD 2 pass Third Reading, seconded by Representative B. Oshiro.

Representative Lee submitted written remarks in support of the measure as follows:

"Mr. Speaker, I am in support of this measure.

"Mr. Speaker, Hawaii has more than 6,000 people behind bars – with more than 1,900 serving their sentences abroad. It is estimated that there are around 6,665 children who have parents incarcerated within our system. Research shows that children who have incarcerated parents suffer strong emotional reactions and are up to six times more likely of becoming a part of the criminal justice system themselves.

"Mr. Speaker, this bill seeks to help reduce those numbers. This program supports the expansion of parent-child interaction programs such as the SKIP program, at other State correctional facilities to facilitate appropriate child visitation of incarcerated parents. These programs strengthen family relationships and have a positive effect on preventing recidivism. Mr. Speaker, in the words of one of the testifiers who is with the Makua Keiki Program:

This program is such a valuable and important resource for families of incarcerated parents. It gives them hope and an opportunity to become functioning, loving, nurturing fathers, mothers and/or parents. It empowers people and families who are at rock bottom and believe the only alternative left to them is hurt and pain and to lash out at others. It is a lifeline, to better, secure, loving relationships. It empowers families and communities, and society.

"I urge all of my colleagues to vote in favor of this measure. 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. 457, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INCARCERATED PARENTS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 931) recommending that H.B. No. 1402, HD 1, as amended in HD 2, pass 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. 1402, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONAL INDUSTRIES.," passed

Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 932) recommending that H.B. No. 1403, HD 1, as amended in HD 2, pass 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. 1403, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PAROLING AUTHORITY," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 936) recommending that H.B. No. 277, as amended in HD 1, pass 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. 277, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FEES FOR WINDSHIELD PLACARDS FOR PERSONS WITH DISABILITIES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 940) recommending that H.B. No. 657, as amended in HD 1, pass 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. 657, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WAIVER OF ABANDONED VEHICLE PUBLIC AUCTION REQUIREMENTS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 964) recommending that H.B. No. 1339, HD 1, pass 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. 1339, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTOR LICENSING REQUIREMENTS DURING A STATE OF EMERGENCY OR DISASTER," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 967) recommending that H.B. No. 1641, HD 1, as amended in HD 2, pass 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. 1641, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PESTICIDES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representatives Herkes and Waters, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 968) recommending that H.B. No. 469, as amended in HD 1, pass 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. 469, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY TRANSACTIONS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 969) recommending that H.B. No. 1750, HD 1, as amended in HD 2, pass 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. 1750, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Cabanilla voting no, and Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 971) recommending that H.B. No. 504, pass 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. 504, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR LE JARDIN ACADEMY," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 974) recommending that H.B. No. 1294, pass 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. 1294, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 977) recommending that H.B. No. 15, HD 1, as amended in HD 2, pass 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. 15, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 979) recommending that H.B. No. 19, HD 1, as amended in HD 2, pass 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. 19, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 982) recommending that H.B. No. 598, as amended in HD 1, pass 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. 598, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 983) recommending that H.B. No. 1630, HD 1, as amended in HD 2, pass 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. 1630, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TECHNOLOGY WORKFORCE DEVELOPMENT," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 984) recommending that H.B. No. 473, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 473, HD 2 pass Third Reading, seconded by Representative B. Oshiro.

Representative Shimabukuro submitted written remarks in support of the measure as follows:

"I am in support of this measure. The purpose of this bill is to appropriate general funds for FY08 and FY09 for the Bridge-To-Hope program to accommodate new federal TANF families program recipient students to enable them to pursue education activities beyond the two-year federal limit.

"Two years of education is obviously not enough time to acquire a Baccalaureate degree and the best they could hope for is a 2-year vocational program. This bill gives them an opportunity to obtain a college degree. Education is not the best way to solve this kind of social dilemma: it is the only way. And like the Bridge-To-Hope's motto says, "Education to leave poverty, not just welfare."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 473, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TEMPORARY ASSISTANCE FOR NEEDY FAMILIES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 987) recommending that H.B. No. 1379, as amended in HD 1, pass 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. 1379, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY LAW," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 988) recommending that H.B. No. 1493, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1493, HD 2 pass Third Reading, seconded by Representative B. Oshiro.

Representative Lee submitted written remarks in support of the measure as follows:

"Mr. Speaker, I am in support of this measure.

"Mr. Speaker, in 1967, the Hawaii State Legislature established the Crime Victim Compensation Commission to mitigate the physical, emotional and financial impact suffered by victims of violent crime. This crucially important organization needs specialized entrepreneurial staff to adequately serve Hawaii's violent crime victims. To help get this staff and encourage applicants, this measure before us will exempt all new employees from the provisions found in our civil service law of Chapter 76. It does allow for new employees collective bargaining rights found under Chapter 89. This bill does not exempt current employees from the civil service law,

only new ones to maintain staffing levels. I urge my colleagues to support this measure. 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. 1493, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE CRIME VICTIM COMPENSATION COMMISSION," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 997) recommending that H.B. No. 249, as amended in HD 1, pass 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. 249, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HUNTING TOURISM," passed Third Reading by a vote of 45 ayes to 3 noes, with Representatives Berg, Brower and Wakai voting no, and with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1002) recommending that H.B. No. 1442, as amended in HD 1, pass 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. 1442, HD 1, entitled: "A BILL FOR AN ACT RELATING TO KIKALA-KEOKEA," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1007) recommending that H.B. No. 399, as amended in HD 1, pass 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. 399, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1008) recommending that H.B. No. 400, as amended in HD 1, pass 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. 400, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1010) recommending that H.B. No. 404, HD 1, as amended in HD 2, pass 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. 404, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1013) recommending that H.B. No. 1179, as amended in HD 1, pass 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. 1179, HD 1, entitled: "A BILL FOR AN

ACT MAKING AN APPROPRIATION TO THE COUNTY OF HAWAII FOR COQUI FROG ERADICATION AND CONTROL," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1015) recommending that H.B. No. 1639, HD 1, as amended in HD 2, pass 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. 1639, HD 2, entitled: "A BILL FOR AN ACT RELATING TO IMPORTANT AGRICULTURAL LANDS," passed Third Reading by a vote of 46 ayes to 2 noes, with Representatives Berg and Wakai voting no, and with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1016) recommending that H.B. No. 1924, as amended in HD 1, pass 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. 1924, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ERADICATION AND CONTROL OF THE COQUI FROG," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1017) recommending that H.B. No. 119, pass 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. 119, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL WATER SYSTEMS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1020) recommending that H.B. No. 260, pass 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. 260, entitled: "A BILL FOR AN ACT RELATING TO APPRAISALS OF RESOURCE VALUE LANDS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1022) recommending that H.B. No. 1201, HD 1, pass 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. 1201, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1024) recommending that H.B. No. 211, as amended in HD 1, pass 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. 211, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES TO THE GENERAL PUBLIC," passed Third Reading

by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1025) recommending that H.B. No. 212, HD 1, as amended in HD 2, pass 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. 212, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1027) recommending that H.B. No. 817, as amended in HD 1, pass 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. 817, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SAGE PLUS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1028) recommending that H.B. No. 825, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 825, HD 1 pass Third Reading, seconded by Representative B. Oshiro.

Representative Lee submitted written remarks in support of the measure as follows:

"Mr. Speaker, I am in support of this measure. Mr. Speaker, Act 285 of Session 2006, established the Joint Legislative Committee on Family Caregiving to develop a comprehensive public policy to strengthen support for family caregivers in Hawaii. After several meetings the Committee submitted a Special Committee Report to the Legislature outlining its process for developing a policy to establish a comprehensive and sustainable, community-based family caregiver support system that will maximize resources in all communities. In its recommendations, the Committee noted that after reviewing the magnitude of creating a comprehensive family caregiver support system, more time is required to perform research and community outreach and establish pilot programs.

"Mr. Speaker, this bill extends the life of the Joint Legislative Committee on Family Caregiving to 2008, authorizes the Joint Legislative Committee to explore establishing a paid family leave program under the State temporary disability insurance law and requests the Committee to provide a broader definition for "family caregiver".

"Mr. Speaker, this bill is important because it seeks the betterment of the lives of those around us that need special attention. I urge my colleagues to vote in favor of this measure. 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. 825, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAREGIVING," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1031) recommending that H.B. No. 1370, as amended in HD 1, pass 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. 1370, HD 1, entitled: "A BILL FOR AN

ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HEALTH FOR THE ADULT MENTAL HEALTH DIVISION," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1032) recommending that H.B. No. 1372, as amended in HD 1, pass 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. 1372, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HEALTH FOR THE EMERGENCY MEDICAL SERVICES AND INJURY PREVENTION SYSTEM BRANCH.," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1033) recommending that H.B. No. 1378, as amended in HD 1, pass 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. 1378, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HEALTH," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1034) recommending that H.B. No. 1495, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1495, HD 2 pass Third Reading, seconded by Representative B. Oshiro.

Representative Lee submitted written remarks in support of the measure as follows:

"Mr. Speaker, I am in support of this measure. Mr. Speaker, palliative care helps people live with a disease or disorder by soothing the symptoms. Resources for this type of care are an integral part of healthcare; especially when you consider the rise of the elder population in our State within the next few years. It is important then that the State continue to help palliative care programs grow so that our citizens can benefit from the vital care they give.

"Mr. Speaker, as of the beginning of 2004, there were no formal palliative care programs in Hawaii. Through the work of Kokua Mau, there have been 5 programs developed with more on the way. The DHS testified that there is a community need for information about hospice and palliative care. Both healthcare professionals and families and caregivers can benefit from a one-stop clearinghouse of information and resources related to hospice and palliative care. Kokua Mau is the natural sponsor of such a center because it is the statewide end-of-life care coalition that is comprised of organizations and individuals committed to improving end-of-life care, and it holds the expertise in hospice and palliative care.

"This bill, Mr. Speaker, grant funds to Kokua Mau to help continue palliative care in our State, especially within long-term care settings. Our State needs to continue to focus on the need and benefits of palliative care for the members of our communities. I urge my colleagues to vote in favor of this measure. Thank you."

Representative Finnegan submitted written remarks in support of the measure as follows:

"Mr. Speaker, I am in support. This bill is about supporting palliative care. Palliative care is so important for our *kupuna* and

anyone who is facing longterm care needs or end of life care. The Legislature has been faced with groups wanting to pass a "Physician Assisted Suicide" or "Death With Dignity" law. We realized as this issue was being debated we needed to work on educating the medical profession, as well as the public, on palliative care services. Many are working on this issue and this bill recognizes that work. 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. 1495, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR PALLIATIVE CARE RESOURCES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1036) recommending that H.B. No. 194, as amended in HD 1, pass 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. 194, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1037) recommending that H.B. No. 429, as amended in HD 1, pass 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. 429, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST SACRED HEARTS ACADEMY," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1038) recommending that H.B. No. 581, as amended in HD 1, pass 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. 581, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR HANALANI SCHOOLS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1042) recommending that H.B. No. 646, HD 1, as amended in HD 2, pass 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. 646, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1043) recommending that H.B. No. 870, as amended in HD 1, pass 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. 870, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST SEAWATER AIR CONDITIONING PROJECTS ON THE ISLAND OF OAHU," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1046) recommending that H.B. No. 1289, HD 1, as amended in HD 2, pass 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. 1289, HD 2, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1047) recommending that H.B. No. 1278, as amended in HD 1, pass 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. 1278, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL SITE CLEANUP," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1051) recommending that H.B. No. 1787, HD 1, pass 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. 1787, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY RESOURCES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1053) recommending that H.B. No. 487, HD 1, pass 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. 487, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING PROGRAMS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1054) recommending that H.B. No. 320, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 320, HD 2 pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan submitted written remarks in support of the measure as follows:

"Mr. Speaker, I am in support of this bill. This bill appropriates money for at least 3 full-time security officers at Mayor Wright public housing homes. No one should feel afraid in their own home. Although I support this bill, I realize that the long-term solution comes from a committed neighborhood willing to put in the time and energy to make some fundamental changes in the community. Other public housing communities have been able to make long lasting changes to better their communities and my hope is that Mayor Wrights will be able to do the same."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 320, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC HOUSING," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1055) recommending that H.B. No. 325, HD 1, as amended in HD 2, pass 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. 325, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DENTAL CARE," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1058) recommending that H.B. No. 667, as amended in HD 1, pass 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. 667, HD 1, entitled: "A BILL FOR AN ACT RELATING TO KUKUI GARDENS RENTAL HOUSING COMPLEX," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1059) recommending that H.B. No. 835, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 835, HD 2 pass Third Reading, seconded by Representative B. Oshiro.

Representative Magaoy submitted written remarks in support of the measure as follows:

"Mr. Speaker, I am in strong support of House Bill 835. Mr. Speaker, I believe that the passage of HB 835, HD 1 is a necessary step in alleviating the negative effects of the closure of Del Monte Fresh Produce. The closure of Del Monte pineapple operations in Hawaii was originally set to take place in 2008. However, this past November, Del Monte announced that the closure would be "immediate" – two years ahead of schedule.

"Most of the workers know no other work but plantation work, and 90% of them are immigrants who have little to no ability to speak English. For these workers to transition to new employment will be a very difficult process. The fact that it has come two years earlier than expected only compounds the problems of these displaced workers.

"The paramount concern of these workers is housing. Currently, many employees, retirees, and their families live in plantation homes. The closure could mean that these families will lose their homes. Through the passage of this bill, the legislature can ensure that these families are able to keep a roof over their heads.

"This measure will establish a program of low-interest loans and grants for home acquisition and rehabilitation; establish a rental assistance program; and provide supportive services to prepare current renters for homeownership.

"The plight of these displaced workers is of the utmost importance to me, and I am committed to seeing them successfully transition into new employment and secure adequate housing for them and their families. This measure will do much to facilitate such success.

"Thank you Mr. Speaker, and I ask my colleagues to support me on this bill."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 835, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1061) recommending that H.B. No. 90, HD 1, as amended in HD 2, pass 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. 90, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1062) recommending that H.B. No. 92, as amended in HD 1, pass 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. 92, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1064) recommending that H.B. No. 116, HD 1, as amended in HD 2, pass 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. 116, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TELECOMMUNICATIONS," passed Third Reading by a vote of 45 ayes to 3 noes, with Representatives Bertram, Lee and Yamane voting no, and with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1066) recommending that H.B. No. 1941, as amended in HD 1, pass 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. 1941, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLING INVASIVE SPECIES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1071) recommending that H.B. No. 659, HD 1, as amended in HD 2, pass 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. 659, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TARO," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1074) recommending that H.B. No. 1155, as amended in HD 1, pass 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. 1155, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL PROPERTY DAMAGE," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1077) recommending that H.B. No. 1609, as amended in HD 1, pass 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. 1609, HD 1, entitled: "A BILL FOR AN

ACT RELATING TO HIGHWAYS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1078) recommending that H.B. No. 1608, pass 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. 1608, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1079) recommending that H.B. No. 1814, pass 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. 1814, entitled: "A BILL FOR AN ACT RELATING TO FAMILY COURT," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1080) recommending that H.B. No. 200, HD 1, pass 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. 200, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1082) recommending that H.B. No. 1902, pass 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. 1902, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST UTILITIES SERVING THE GENERAL PUBLIC," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1083) recommending that H.B. No. 1931, pass 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. 1931, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR PROJECTS ON THE ISLAND OF HAWAII," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1086) recommending that H.B. No. 201, pass 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. 201, entitled: "A BILL FOR AN ACT RELATING TO STATE VETERANS' HOME," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1087) recommending that H.B. No. 312, HD 1, as amended in HD 2, pass 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. 312, HD 2, entitled: "A BILL FOR AN ACT RELATING TO COMMUNITY-BASED ECONOMIC DEVELOPMENT," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1088) recommending that H.B. No. 317, HD 1, as amended in HD 2, pass 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. 317, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PROFESSIONAL EMPLOYMENT ORGANIZATIONS," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Takamine voting no, and Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1089) recommending that H.B. No. 1018, HD 1, as amended in HD 2, pass 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. 1018, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1093) recommending that H.B. No. 1239, HD 1, as amended in HD 2, pass 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. 1239, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF THE ATTORNEY GENERAL," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1095) recommending that H.B. No. 1222, HD 1, as amended in HD 2, pass 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. 1222, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LOANS FOR AGRICULTURAL AND AQUACULTURE PURPOSES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1097) recommending that H.B. No. 570, HD 1, pass 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. 570, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1098) recommending that H.B. No. 575, HD 1, pass 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. 575, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCIES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1101) recommending that H.B. No. 402, HD 1, pass 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. 402, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE LAND CONSERVATION FUND," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1102) recommending that H.B. No. 1353, HD 1, pass 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. 1353, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1103) recommending that H.B. No. 5, as amended in HD 1, pass 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. 5, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1105) recommending that H.B. No. 424, HD 1, as amended in HD 2, pass 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. 424, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DISASTER PREPAREDNESS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1106) recommending that H.B. No. 1345, HD 1, as amended in HD 2, pass 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. 1345, HD 2, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR NATURAL DISASTERS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1107) recommending that H.B. No. 869, as amended in HD 1, pass 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. 869, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A STUDY ON ENERGY EFFICIENT TRANSPORTATION STRATEGIES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1109) recommending that H.B. No. 1414, as amended in HD 1, pass 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. 1414, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR DEPARTMENT OF TAXATION COUNTY SURCHARGE IMPLEMENTATION COSTS.," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1111) recommending that H.B. No. 1631, HD 1, as amended in HD 2, pass 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. 1631, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY BUSINESS INVESTMENT TAX CREDIT," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1115) recommending that H.B. No. 1373, as amended in HD 1, pass 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. 1373, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HEALTH FOR EARLY INTERVENTION SERVICES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1117) recommending that H.B. No. 149, HD 1, as amended in HD 2, pass 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. 149, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DISASTER RELIEF," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1119) recommending that H.B. No. 531, HD 2, as amended in HD 3, pass 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. 531, HD 3, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1121) recommending that H.B. No. 899, as amended in HD 1, pass 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. 899, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INTEGRATED STRATEGIES FOR STATEWIDE FOOD AND ENERGY CROP PRODUCTION," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1123) recommending that H.B. No. 1220, as amended in HD 1, pass 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. 1220, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL MARKETING," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1124) recommending that H.B. No. 1615, as amended in HD 1, pass 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. 1615, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEVELOPMENT OF A SHELLFISH AQUACULTURE INDUSTRY," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1125) recommending that H.B. No. 379, HD 1, pass 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. 379, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WITNESSES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1126) recommending that H.B. No. 600, HD 1, pass 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. 600, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COURT INTERPRETERS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1130) recommending that H.B. No. 483, HD 1, pass 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. 483, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHECK CASHING," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1131) recommending that H.B. No. 1323, pass 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. 1323, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1134) recommending that H.B. No. 38, HD 1, as amended in HD 2, pass 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. 38, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LIABILITY OF STATE AND COUNTY GOVERNMENTS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1135) recommending that H.B. No. 373, as amended in HD 1, pass 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. 373, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SCRAP DEALERS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1138) recommending that H.B. No. 1499, HD 1, as amended in HD 2, pass 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. 1499, HD 2, entitled: "A BILL FOR AN ACT RELATING TO OCEAN RESOURCES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1139) recommending that H.B. No. 1707, as amended in HD 1, pass 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. 1707, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROTECTION OF CAVES,," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1141) recommending that H.B. No. 1833, as amended in HD 1, pass 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. 1833, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNFAIR BUSINESS PRACTICES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1144) recommending that H.B. No. 852, pass 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. 852, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEE RETIREMENT SYSTEM," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1145) recommending that H.B. No. 1366, pass 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. 1366, entitled: "A BILL FOR AN ACT RELATING TO SEPARATION INCENTIVES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1150) recommending that H.B. No. 962, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 962 pass Third Reading, seconded by Representative B. Oshiro.

Representative Magaoay submitted written remarks in support of the measure as follows:

"Mr. Speaker, I am in strong support of House Bill 962. Statistics show that chronic kidney disease, which is divided into 5 stages, affects all age groups. There is an increasing need for kidney dialysis services, especially in remote areas of the State of Hawaii. The National Kidney Foundation of Hawaii had stated several years ago that 1 in 10 citizens in our State had chronic kidney disease. Today the National Kidney Foundation of Hawaii, says that the ratio is now 1 in 7. Yes, these statistics are alarming, but even more so the costs to stabilize and assist these citizens who have this silent killer disease, is devastating.

"Due to the large number of Hawaiians also affected by this disease, the Office of Hawaiian Affairs, and Papa Ola Lokahi in conjunction with St. Francis Healthcare Foundation have done extensive research and have provided services to address chronic kidney disease, particularly end stage renal disease for patients living in remote areas of the State. It is evident by statistics that this disease is spreading rapidly and taking over the population of Hawaii.

"Mr. Speaker, the time to act is now and I believe that the passage of HB 962, will continue to support and assist the Office of Hawaiian Affairs, Papa Ola Lokahi and St. Francis Healthcare Foundation in promoting and providing the necessary services to aid our population of Hawaii, who have been infected with chronic kidney disease. This grant will appropriate the necessary funds, to support present and future modified home care and community health demonstration projects.

"Thank you Mr. Speaker, and I ask my colleagues to support me on this bill."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 962, entitled: "A BILL FOR AN ACT RELATING TO CHRONIC KIDNEY DISEASE," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1151) recommending that H.B. No. 1096, as amended in HD 1, pass 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. 1096, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE MORTGAGE CREDIT CERTIFICATES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1153) recommending that H.B. No. 1211, HD 1, as amended in HD 2, pass 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. 1211, HD 2, entitled: "A BILL FOR AN ACT RELATING TO FAMILY COURT," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.



Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1154) recommending that H.B. No. 1270, HD 1, as amended in HD 2, pass 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. 1270, HD 2, entitled: "A BILL FOR AN ACT RELATING TO STATE PLANNING," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1156) recommending that H.B. No. 1120, HD 1, as amended in HD 2, pass 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. 1120, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DENTAL HEALTH," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1157) recommending that H.B. No. 1371, HD 1, as amended in HD 2, pass 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. 1371, HD 2, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE DEVELOPMENTAL DISABILITIES DIVISION OF THE DEPARTMENT OF HEALTH," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1163) recommending that H.B. No. 833, HD 1, as amended in HD 2, pass 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. 833, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1165) recommending that H.B. No. 1291, as amended in HD 1, pass 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. 1291, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1166) recommending that H.B. No. 1367, as amended in HD 1, pass 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. 1367, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SALARIES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1172) recommending that H.B. No. 1817, HD 1, as amended in HD 2, pass 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. 1817, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1173) recommending that H.B. No. 223, HD 2, as amended in HD 3, pass 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. 223, HD 3, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE SERVICES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1175) recommending that H.B. No. 1359, as amended in HD 1, pass 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. 1359, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE PHARMACY ASSISTANCE PROGRAM," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1177) recommending that H.B. No. 1477, HD 1, as amended in HD 2, pass 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. 1477, HD 2, entitled: "A BILL FOR AN ACT RELATING TO RURAL PRIMARY HEALTH CARE TRAINING," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1178) recommending that H.B. No. 652, HD 1, as amended in HD 2, pass 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. 652, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DAM SAFETY," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1181) recommending that H.B. No. 1735, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1735, HD 2 pass Third Reading, seconded by Representative B. Oshiro.

Representative Ching submitted written remarks in support of the measure as follows:

"I am in strong support of H.B. 1735-- A Bill for an Act Creating a Waiomina Centennial Commission, recognizing the contributions of the ranching community to Hawaii.

"As Hawaii has grown, a growing disconnect has emerged between the general society and agriculture, including ranching. Hawaii's agriculture has a proud history of innovation and entrepreneurship that should be remembered. The Commission will help to ensure that school children and adults will be exposed to the history of one of Hawaii's oldest and largest economies, and to the lives of the men

and women whose work ethic and respect for education offer a positive example for young people to develop a dream."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1735, HD 2, entitled: "A BILL FOR AN ACT ESTABLISHING A COMMISSION TO COMMEMORATE THE CONTRIBUTIONS OF HAWAII'S RANCHING COMMUNITY," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1182) recommending that H.B. No. 1866, HD 2, as amended in HD 3, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1866, HD 3 pass Third Reading, seconded by Representative B. Oshiro.

Representative Marumoto submitted written remarks in support of the measure as follows:

"Mr. Speaker, I simply wish to insert the comments of Mr. Hubert Minn who has some concerns. Mr. Minn is a former boxer and member of the Boxing Commission and is extremely knowledgeable about this subject.

"From: Mr. Hubert P. Minn  
Chairman, Ring Officials  
World Boxing Council  
Honolulu, Hawaii

Re: H.B. No. 1866- A Bill for an act relating to Mixed Martial Arts

Dear, Barbara

I'm sorry I missed you at the hearing and I decided at the last moment to not testify but instead send you my remarks regarding this important bill.

Although the purpose of this bill is admirable – "To protect the health and safety of contestants engaged in mixed martial arts contests and to provide comprehensive oversight of mixed martial arts contests", the Bill seems to actually fall short of insuring the Purpose due to the some of the recommendations within the Bill itself.

Please let me explain some of the most important and critical issues that I see that will hinder and make this bill ineffective, and you, more than anyone, understand the problems that occur when passing poor legislation.

Everything I will state is based on one premise – Safety, welfare, and justice to the fighters, the public, and finally the promoters.

#1. Cover page, amendment no 3 - Removing Timekeepers, Judges, and Seconds from the licensing requirements, "This displays the real lack of understanding & is absurd. Every official participating in a mixed martial arts contest, etc. should be certified and trained. How can you allow a Judge to not be certified? Even in youth sports, high school, and college sports, the Judges and all Officials are all certified, insuring that they have gone thru some type of training that insures the safety and proper application of the rules. Even more important, the Second must be certified because he, other than the fighter himself, is the only person in the contest, other than the referee, that can not only determine if his fighter is still competent to compete and his safety is not compromised, but can also stop the contest.

This is not basketball or football. The intent of this sport is to do bodily harm to another person, either by striking, kicking, or applying locks that can either break or dislocate a part of the body,

so wouldn't you want someone who really understands, is trained, and has passed certification in the ring with the contestant?

Would you allow you [*sic*] son or daughter to go into a contest such as this with anyone? That is what would happen if you allow Officials to be removed from the licensing requirements. This alone is counterproductive to the purpose of "protecting the health and welfare of the contestants." This is why it is mandatory to have certified and licensed Officials.

Imagine if a contestant gets badly injured due to the lack of expertise or understanding. And when someone asks, "How come the second didn't stop the fight, etc". The answer will be – "the fault lies with the legislature because in their esteemed wisdom, they decided that it wasn't necessary for these officials to be certified or licensed." The world of boxing recently passed legislation that mandates Seconds to take a course that allows them to learn about characteristics of dehydration, serious injuries, and other critical issues that can save a fighters life. The days of the old timers that handle fighters because that's what they always did are over.

Licensing and Certification should be mandatory when you start talking about safety for this sport.

#2. Commission established – I believe that you will have more problems that are necessary by creating a new commission, specifically for Martial Arts. Why? 1st let me address the actual recommendation in HB 1866 that speaks to this issue. "The commission shall consist of five members appointed by the Governor pursuant to section 26-34, provided that at least one member shall have experience as a mixed martial arts contestant."

The Governor's appointment to Boards seem to reflect more politics than actually placing experienced, credible, individuals from the field that the Board represents.

A good example is the Boxing Commission. The Chairman has absolutely no experience at all in boxing but he is appointed by the Governor? I foresee the same thing happening again with the creation of a new Commission and on top of that, the commission could possibly end up with only one person with some experience.

At the very least, I would recommend that if you intend to pass this bill, make it so that a minimum of 3 out of 5 members, have some experience.

We are talking about one of the most dangerous sports and you want to allow the possibility of having only one person with any type of experience on this board? Once again this is like my first issue – When problems occur, and the responsibility falls on the commission, people will say, "the legislature seemed to think that having only one person with experience was sufficient to insure safety, etc" It doesn't make sense. It's like passing rules that say, the Legislature will form a committee of the Ways & Means and the minimum requirement is that you have only one person who has been elected more than one term. Would you fill the Ways & Means with rookies? Of course not.

Now am I for a commission? Not really. Why? Why try to re-invent the wheel? What makes Hawaii so great in Martial Arts contest that we need to differ from all the other Martial Arts sanctioning bodies that are much larger and more successful nationwide? California and Nevada hold the largest and most prestigious Martial Arts contest. They all fall under the State Athletic Commission. The same commission that regulates Boxing and Wrestling also.

Ultimate Fighting Champion President Dana White stated that "when we created this organization, we ran to the Nevada Athletic Commission and begged to be sanctioned by the commission because we knew that only by doing this, would we build the sport into something credible." Being a contestant is one thing, but

understanding policies and regulations, and administration is what the commissions are all about and within the Hawaii State Boxing Commission, you already have all the necessary and legally secure rules and regulations, so anyone sitting on the Commission can easily navigate and learn what is mandatory and why.

Can you imagine trying to establish another legislature with inexperienced people? Don't you think it's easier to work within the infrastructure established already? Don't you think it's easier for some newly elected legislator to learn how government works by being part of this system than trying to learn under a new system that hasn't established many of the policies and protocols you have already?

The only thing I would do is to add 3 selected, credible and experienced Mixed Martial Arts members to the Boxing Commission to consult and help the Commission. The Commission will definitely need this expertise, and the Martial Arts members will learn about policies and regulations in terms of safety also.

People need to embrace each others diversity rather than fear it. I believe that the Martial Arts people and the boxing Commission need to come together for the good of the sport as well as Safety.

Even if the Boxing Commission does not support doing this, it is not their call. As a state commission, their duty is to administer and monitor the safety and welfare of the fighters and the public. They should not abandon their responsibility because they don't support the sport. They weren't elected to do this. They were selected.

### #3. Section 10 - Requirements to hold a mixed Martial Arts event.

This to me really displays the lawmaker's lack of understanding in such a brutal sport and this section commands the most attention because this is where safety is paramount during the actual contest.

Section G states—"a promoter shall provide to the commission written confirmation that an ambulance with paramedics and appropriate security have been obtained and will be present at all times at the venue of the mixed martial arts contest."

This is the only section that actually "hint" at some type of safeguards for the welfare of the contestants, however it does not really maximize saving an injured persons life. Let me explain. When a fighter gets injured and it is life-threatening, (and we should always prepare for the worse), the most important thing that will save him is "time". The longer he cannot get to the hospital, the more his chances to save him from serious life long damage or even death erodes. Yes, you can have an ambulance and security, but do you have a "Safety Plan, that addresses these concerns.

In my experience under these conditions, usually panic sets in to the relatives, friends, and crowd. Than it becomes increasingly difficult to disperse the crowd out of the way to allow the fighter to be removed from the premises. Also, what is the fastest way out to the ambulance? Are the Paramedics situated and understand that under extreme conditions, this is what should happen? Has security been trained and walked thru the procedures so they know exactly what they should be doing and where to help with the expedient removal of the injured person? Is the Ambulance facing the closest exit and what plans have been made once the ambulance needs to leave? Can they get out as quick as possible? Has the nearest hospital been notified of the event so that they are prepared for an emergency? All of this must be done and rehearsed to insure the fastest and most efficient manner to remove an injured contestant. A Filipino boxer's life was saved in Japan, when he suffered a blood clot from a blow. In 12 minutes he was on the operating table to remove the clot. This was from the moment a competent doctor examined him in the ring and determined this was an emergency.

I guarantee that if this occurred in Hawaii, even with the current legislation mandating Paramedics, Ambulance, & Security, it would not save many lives because of the lack of logistics.

What I recommend that should be stated instead is, "A promoter shall provide to the commission written confirmation that all requirements as stated in the approved Commission's Safety Plan, have been obtained.

The Safety Plan should include Ambulance, Paramedics, Security, and all the other issues presented as logistics. Now we are really addressing and legislating true Safety for the contestants.

There is nothing in the bill that also addresses Certification for the Referee as well as the Physician. These 2 individual [sic] are paramount in regards to safety. Both can stop a fight to prevent injury, but they must be trained for this.

People think that any physician can be selected to be a Ringside Physician. Wrong. I don't care what type of doctor you are. If you do not get a certificate and pass training as a Ringside Physician, than [sic] you are not that competent as a doctor at ringside. Most physicians are watching the fight for the most part when they should be watching the fighters and his physical reaction to blow, cuts, etc. This is much different than sewing someone up. Right now today, in [sic], physicians are taking part in the Ring Officials Medical Clinic sponsored by the Ringside Physicians organization. Referees must constantly be recertified but there doesn't seem to be much emphasis in this critical area that addresses the fighter's welfare.

Without these issues addressed, I feel certain that this legislation will not prevent the injuries and problems that the bill intended. It's a good start, but realistically lacks the knowledge necessary to really implement the purpose. I believe that it is no one's fault. It often happens because there is not enough understanding and knowledge of the Sport itself. How many lawmakers have actually participated in a contest? How many have gone to one? How many understand the safety issues that the Boxing Commission addresses?

In closing, I wish to commend you on your attempt to craft necessary legislation that will help regulate the sport and I hope the information I shared with you will possibly help guide you in understanding what needs to be implemented as mandatory guidelines in relation to effective and efficient safety measures.

If you have any questions, please feel free to contact me. Mahalo for your time,

Aloha,  
Hubert P. Minn"

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1866, HD 3, entitled: "A BILL FOR AN ACT RELATING TO MIXED MARTIAL ARTS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1183) recommending that H.B. No. 337, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 337, HD 2 pass Third Reading, seconded by Representative B. Oshiro.

Representative Magaoay submitted written remarks in support of the measure as follows:

"Mr. Speaker, I am in strong support of House Bill 337, HD 1. Mr. Speaker, this bill would authorize the Agribusiness Development

Corporation to issue revenue bonds to purchase agriculture land in Kunia, and Ewa.

"Kunia lands are one of the most fertile and productive agriculture lands in the State. If there are any lands necessary to support our agriculture industry, the Kunia lands would fit this category.

"I believe that passage of HB 337, HD 1 would guarantee the long-term availability of these lands for continued cultivation. The acquisition of this valuable piece of land would protect and preserve what is left of the State's important agriculture lands. It will give added value to the State's economy.

"Finally Mr. Speaker, farming supports our tourism industry by conserving and protecting our picturesque, open countryside that our residents and visitors value. Thank you very much Mr. Speaker, and I ask my colleagues to support me on this bill."

Representative Karamatsu submitted written remarks in support of the measure as follows:

"I am in support. The purpose of this bill is to preserve agricultural lands on Oahu by authorizing the Agribusiness Development Corporation (ADC) to purchase through general funds or revenue bonds, agricultural lands located in the Kunia or Ewa areas on Oahu, or both.

"In addition, ADC would have the authority to lease ADC-controlled agricultural land by contracting with a financial institution that is transacting business in this state to provide lease management service.

"Finally, this measure provides additional flexibility to ADC by allowing it to purchase, accept, and maintain permanent conservation easements in accordance with the Natural Resources Conservation Service Farm and Ranch Lands Protection Program. Thank you."

Representative Cabanilla submitted written remarks in support of the measure as follows:

"In strong support of HB337. The measure permits the Agribusiness Development Corporation to be authorized to purchase agriculture lands located in the Kunia or Ewa areas, or both, on the island of Oahu and submit to the Legislature a progress report on its actions to obtain these lands no later than twenty days prior to the convening of the regular session of 2008.

"The landscape in the Ewa Plain is changing so fast, that this bill would provide a better grasp as to what farm lands are diminishing. This measure makes a very good point, and that is to preserve and sustain viable agricultural enterprises within a contiguous geographical area like Ewa."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 337, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1184) recommending that H.B. No. 226, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 226, HD 2 pass Third Reading, seconded by Representative B. Oshiro.

Representative Meyer submitted written remarks in opposition to the measure as follows:

"I am in opposition to this bill, HB 226. This bill would give the Department of Health sweeping new powers to regulate industry for the purpose of reducing greenhouse gases.

"I have several objections to this bill, as follows:

- (1) While it appears that some degree of global warming may be occurring, the theory that humans, rather than natural climatic cycles, are the chief cause is at best a speculative theory. Polls done of scientists studying this theory show a broad range of estimates of not only the degree of warming, but of the percentage due to human versus other natural causes. In short, even the experts broadly disagree about this theory. It is not settled science. This bill would certainly harm our economy, while it might do little or nothing to address the problem it purports to solve.
- (2) Some proponents of this theory are blatant hypocrites. For example, former President Al Gore [sic] has been jet-setting all over the country, burning up huge amounts of fuels, to promote his movie about global warming. Further, he lives in huge 10,000 square foot mansion that uses 20 times the national average of electricity usage. Can we really trust people whose deeds completely repudiate the theories they profess to believe in?
- (3) Hawaii is an infinitesimally tiny part of the global economy. Simply put, no matter how much we harm our economy in an effort to reduce greenhouse gas emissions, it will make virtually no difference in global greenhouse gas emissions. Furthermore, since rapidly developing counties like China are aggressively seeking fuel supplies, any restraint on our part would almost certainly result in the amount of fossil fuel saved by us being acquired and used in China, India, or other developing counties. That is, the net result of this bill would most likely be no drop whatsoever in global fossil fuel consumption.
- (4) It is irresponsible to sacrifice our State's economy for a hollow, symbolic gesture meant to appease a tiny, vocal special interest that advocates a policy that would harm virtually all of our constituents. I urge my colleagues to vote 'no.'"

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 226, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GREENHOUSE GAS EMISSIONS," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Meyer voting no, and Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1185) recommending that H.B. No. 275, as amended in HD 1, pass 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. 275, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM ATHLETE AGENTS ACT," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1187) recommending that H.B. No. 1231, HD 1, as amended in HD 2, pass 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. 1231, HD 2, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR CLAIMS AGAINST THE STATE, ITS OFFICERS, OR ITS EMPLOYEES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1191) recommending that H.B. No. 1781, HD 1, as amended in HD 2, pass 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. 1781, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE TECHNOLOGY AND INNOVATION CENTER," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

### THIRD READING

#### H.B. No. 987, HD 1:

Representative Caldwell moved that H.B. No. 987, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Sonson submitted written remarks in support of the measure as follows:

"The purpose of this bill is to clarify and expand the right of police officers to receive legal counsel in civil and criminal cases where they are sued or prosecuted. The bill adds a definition of "acts done in the performance of the officer's duty as a police officer" to HRS 52D-8 as follows:

- (1) Any action while in a duty status or while the police officer is on duty;
- (2) Any action performed by an off-duty police officer while effecting an arrest or performing any other police duty; or
- (3) Any action performed by the police officer while on special duty status; provided that the action was within the course and scope of the police officer's official duties.

"One potential affect of the proposed bill is to extend the right of police officers to be represented to instances where they are off-duty and make an arrest during the course of working as part of a private security contractor. While I support the general intent of this measure, perhaps it would be prudent to re-examine the scope of the proposed language to ensure that the right to counsel is not overly-extended. There may be rare instances where an off-duty police officer has acted with extreme recklessness or malicious intent, and it does not seem that the intent of H.B. 987 is to expend government resources in these cases."

The motion was put to vote by the Chair and carried, and, H.B. No. 987, HD 1, entitled: "A BILL FOR AN ACT RELATING TO POLICE OFFICERS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

#### H.B. No. 1130, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1130, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

#### H.B. No. 1131, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1131, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PRIMARY ELECTION DATE," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

#### H.B. No. 910, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 910, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC FINANCIAL DISCLOSURE STATEMENTS," passed Third Reading by a vote of

48 ayes, with Representatives Awana, Takai and Thielen being excused.

#### H.B. No. 975, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 975, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STANDARDS OF CONDUCT," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

#### H.B. No. 1512, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1512, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC MEETINGS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

#### H.B. No. 128, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 128, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC MEETINGS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

#### H.B. No. 1108, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1108, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATUTORY REVISION: AMENDING OR REPEALING VARIOUS PROVISIONS OF THE HAWAII REVISED STATUTES AND THE SESSION LAWS OF HAWAII FOR THE PURPOSE OF CORRECTING ERRORS AND REFERENCES, CLARIFYING LANGUAGE, AND DELETING OBSOLETE OR UNNECESSARY PROVISIONS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

#### H.B. No. 380, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 380, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL PARTICIPATION IN GOVERNMENT," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

#### H.B. No. 1565, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1565, HD 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

#### H.B. No. 1785, HD 1:

Representative Caldwell moved that H.B. No. 1785, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Lee submitted written remarks in support of the measure as follows:

"Mr. Speaker, I am in support of this measure.

"Mr. Speaker, the island of Oahu has 18 regular serving ambulances. Of these 18, 9 have an odometer reading of over 100,000 miles, and 3 with over 200,000 miles. This is something that needs to be fixed especially since these vehicles serve a

population that is growing towards 1 million, and last year alone EMS responded to over 70,000 911 calls on this island.

"Mr. Speaker, this bill would provide to the City and County of Honolulu the necessary funds to purchase 7 ambulances and 15 defibrillators. This bill is necessary so that our emergency personnel can respond quickly to a situation with the assurance that their equipment will perform as needed.

"I don't think any of us would want to be riding in an ambulance on our way to the hospital and have the ambulance break down, as was mentioned as happening at the hearing. I urge my colleagues to vote in favor of this measure. Thank you.

The motion was put to vote by the Chair and carried, and H.B. No. 1785, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 1412, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1412, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF TAXATION'S BENEFITS-FUNDED REVENUE-GENERATING COMPUTER INITIATIVES.," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 1188, HD 1:**

Representative Caldwell moved that H.B. No. 1188, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Shimabukuro submitted written remarks in support of the measure as follows:

"The State is in crisis, more and more, of our residents are not able to afford to pay rent or own homes, and combined with the lack of affordable inventory are being forced into homelessness.

"This bill on behalf of the State, will require the Hawaii Housing Finance and Development Corporation (HHFDC) to develop real property and construct dwelling units with a percentage of the properties priced at a percentage below the median home price for the relevant geographical area. (For purposes of this measure "relevant geographical area" means the county in which the project is located.)

"Any projects initiated after June 30, 2007 will be required by this measure to ensure that not less than ten percent of the total number of units in single-family project consisting of fifty units or more shall be priced at forty percent below the median home price of the relevant geographical area.

"These are desperate times for our families, the State needs to take a lead in recognizing how discouraging it has become for families to obtain safe and decent housing for their families. I ask that you take the time to consider these individuals and families who are in dire need of assistance. Aloha."

The motion was put to vote by the Chair and carried, and H.B. No. 1188, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 1337, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1337, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEATH CARE INDUSTRY," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 1159, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1159, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVER LICENSING," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 1253, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1253, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII RULES OF EVIDENCE," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 1210, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1210, HD 1, entitled: "A BILL FOR AN ACT RELATING TO JURORS AND PROSPECTIVE JURORS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 1773, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1773, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 272, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 272, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE COMPANIES," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 1627, HD 1:**

Representative Caldwell moved that H.B. No. 1627, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Cabanilla submitted written remarks in support of the measure as follows:

"In support of HB1627 HD1. This is a house-keeping measure that helps define for the purchaser the availability to acquire the condominium map that is to be made available by the developer or seller.

"It also provides for the transmittal of governing documents of an AOA by electronic means to better serve all parties engaged in transference of condominium regime property."

The motion was put to vote by the Chair and carried, and H.B. No. 1627, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 419, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 419, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 1922, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1922, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LANDS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 162, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 162, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FINANCES," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Brower voting no, and Representatives Awana, Takai and Thielen being excused.

**H.B. No. 501, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 501, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LOW-INCOME REFUNDABLE TAX CREDIT," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 502, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 502, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAX EXEMPTIONS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 1226, HD 1:**

Representative Caldwell moved that H.B. No. 1226, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Cabanilla submitted written remarks in opposition to the measure as follows:

"Mr. Speaker, I am in opposition to HB 1226. There needs to be some responsibility and accountability by DAGS to be fiscally responsible. Year after year, DAGS comes to the legislature requesting an emergency appropriation for electricity payments statewide.

"DAGS should not be paying for all its mismanagement and costs overruns with the moneys allocated for electricity, and then come to the Legislature asking for money for electricity without any accountability. It should instead be accountable and explain to the Legislature the exact reasons why it is experiencing a short fall in the DAGS budget.

"The law should be changed to require DAGS to only pay for items it was authorized and to pay for its electricity and other utilities expenses first, as budgeted and to prohibit the use of electricity money to be used for mismanagement and costs overruns. I urge my colleagues to oppose this bill."

The motion was put to vote by the Chair and carried, and H.B. No. 1226, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR ELECTRICITY PAYMENTS STATEWIDE," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Cabanilla voting no, and Representatives Awana, Takai and Thielen being excused.

**H.B. No. 1227, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1227, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR RISK MANAGEMENT," passed Third

Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 1411, HD 2:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1411, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO THE INTERNAL REVENUE CODE.," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 1943, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1943, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE DEPOSIT BEVERAGE CONTAINER PROGRAM," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 1756:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1756, entitled: "A BILL FOR AN ACT RELATING TO COUNTY CONCESSIONS," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 110, HD 1:**

Representative Caldwell moved that H.B. No. 110, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Shimabukuro submitted written remarks in support of the measure as follows:

"Aloha. The recent news of housing concerns that are affecting the University of Hawaii help us to understand the need for our support and the passage of this bill. The University System is valuable for the future and growth of Hawaii.

"The System continues to grow throughout the State to service our residents. Increasing numbers of students from across the US. and foreign countries are coming to Hawaii to study and experience aloha. Student housing within the University of Hawaii system is limited and difficult to obtain. As the availability of student housing diminishes, the students are forced to seek homes and apartments adding to, and competing with the number of people seeking affordable housing.

"Students residing off campus add to traffic congestion, and parking concerns. Passage of this bill will allow the University of Hawaii System to use potential alternatives to increase the student housing inventory close to or on University of Hawaii campuses, allowing growth at Manoa and other campuses that will have the safety of our students at the foremost.

"From the planned West Oahu Campus, across the State to the West Hawaii campus in Kona and the University of Hawaii at Hilo, which has been designated by the University of Hawaii System to be the premiere residential campus in their system, we need to provide the resources and housing required to prepare our students here at home in our University System."

The motion was put to vote by the Chair and carried, and H.B. No. 110, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 1152, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1152, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SENTENCING," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

**H.B. No. 1171, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1171, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT," passed Third Reading by a vote of 48 ayes, with Representatives Awana, Takai and Thielen being excused.

At 9:32 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1307, HD 2  
 H.B. No. 1628, HD 1  
 H.B. No. 362, HD 1  
 H.B. No. 1311, HD 1  
 H.B. No. 1864, HD 2  
 H.B. No. 136, HD 2  
 H.B. No. 428, HD 2  
 H.B. No. 767, HD 2  
 H.B. No. 1014, HD 2  
 H.B. No. 1528, HD 2  
 H.B. No. 1530, HD 1  
 H.B. No. 1531, HD 2  
 H.B. No. 104, HD 2  
 H.B. No. 453, HD 1  
 H.B. No. 906, HD 1  
 H.B. No. 928, HD 1  
 H.B. No. 1283, HD 2  
 H.B. No. 1356, HD 2  
 H.B. No. 1361, HD 1  
 H.B. No. 1364, HD 2  
 H.B. No. 528, HD 2  
 H.B. No. 624, HD 2  
 H.B. No. 1215, HD 2  
 H.B. No. 1260, HD 1  
 H.B. No. 1548, HD 1  
 H.B. No. 692, HD 2  
 H.B. No. 1004, HD 2  
 H.B. No. 1005, HD 2  
 H.B. No. 1334, HD 1  
 H.B. No. 1338, HD 2  
 H.B. No. 592, HD 1  
 H.B. No. 595, HD 2  
 H.B. No. 55, HD 1  
 H.B. No. 367, HD 1  
 H.B. No. 1292, HD 1  
 H.B. No. 831, HD 2  
 H.B. No. 457, HD 2  
 H.B. No. 1402, HD 2  
 H.B. No. 1403, HD 2  
 H.B. No. 277, HD 1  
 H.B. No. 657, HD 1  
 H.B. No. 1339, HD 1  
 H.B. No. 1641, HD 2  
 H.B. No. 469, HD 1  
 H.B. No. 1750, HD 2  
 H.B. No. 504  
 H.B. No. 1294  
 H.B. No. 15, HD 2  
 H.B. No. 19, HD 2  
 H.B. No. 598, HD 1  
 H.B. No. 1630, HD 2  
 H.B. No. 473, HD 2  
 H.B. No. 1379, HD 1  
 H.B. No. 1493, HD 2  
 H.B. No. 249, HD 1  
 H.B. No. 1442, HD 1

H.B. No. 399, HD 1  
 H.B. No. 400, HD 1  
 H.B. No. 404, HD 2  
 H.B. No. 1179, HD 1  
 H.B. No. 1639, HD 2  
 H.B. No. 1924, HD 1  
 H.B. No. 119  
 H.B. No. 260  
 H.B. No. 1201, HD 1  
 H.B. No. 211, HD 1  
 H.B. No. 212, HD 2  
 H.B. No. 817, HD 1  
 H.B. No. 825, HD 1  
 H.B. No. 1370, HD 1  
 H.B. No. 1372, HD 1  
 H.B. No. 1378, HD 1  
 H.B. No. 1495, HD 2  
 H.B. No. 194, HD 1  
 H.B. No. 429, HD 1  
 H.B. No. 581, HD 1  
 H.B. No. 646, HD 2  
 H.B. No. 870, HD 1  
 H.B. No. 1289, HD 2  
 H.B. No. 1278, HD 1  
 H.B. No. 1787, HD 1  
 H.B. No. 487, HD 1  
 H.B. No. 320, HD 2  
 H.B. No. 325, HD 2  
 H.B. No. 667, HD 1  
 H.B. No. 835, HD 2  
 H.B. No. 90, HD 2  
 H.B. No. 92, HD 1  
 H.B. No. 116, HD 2  
 H.B. No. 1941, HD 1  
 H.B. No. 659, HD 2  
 H.B. No. 1155, HD 1  
 H.B. No. 1609, HD 1  
 H.B. No. 1608  
 H.B. No. 1814  
 H.B. No. 200, HD 1  
 H.B. No. 1902  
 H.B. No. 1931  
 H.B. No. 201  
 H.B. No. 312, HD 2  
 H.B. No. 317, HD 2  
 H.B. No. 1018, HD 2  
 H.B. No. 1239, HD 2  
 H.B. No. 1222, HD 2  
 H.B. No. 570, HD 1  
 H.B. No. 575, HD 1  
 H.B. No. 402, HD 1  
 H.B. No. 1353, HD 1  
 H.B. No. 5, HD 1  
 H.B. No. 424, HD 2  
 H.B. No. 1345, HD 2  
 H.B. No. 869, HD 1  
 H.B. No. 1414, HD 1  
 H.B. No. 1631, HD 2  
 H.B. No. 1373, HD 1  
 H.B. No. 149, HD 2  
 H.B. No. 531, HD 3  
 H.B. No. 899, HD 1  
 H.B. No. 1220, HD 1  
 H.B. No. 1615, HD 1  
 H.B. No. 379, HD 1  
 H.B. No. 600, HD 1  
 H.B. No. 483, HD 1  
 H.B. No. 1323  
 H.B. No. 38, HD 2  
 H.B. No. 373, HD 1  
 H.B. No. 1499, HD 2  
 H.B. No. 1707, HD 1  
 H.B. No. 1833, HD 1



H.B. No. 852  
 H.B. No. 1366  
 H.B. No. 962  
 H.B. No. 1096, HD 1  
 H.B. No. 1211, HD 2  
 H.B. No. 1270, HD 2  
 H.B. No. 1120, HD 2  
 H.B. No. 1371, HD 2  
 H.B. No. 833, HD 2  
 H.B. No. 1291, HD 1  
 H.B. No. 1367, HD 1  
 H.B. No. 1817, HD 2  
 H.B. No. 223, HD 3  
 H.B. No. 1359, HD 1  
 H.B. No. 1477, HD 2  
 H.B. No. 652, HD 2  
 H.B. No. 1735, HD 2  
 H.B. No. 1866, HD 3  
 H.B. No. 337, HD 2  
 H.B. No. 226, HD 2  
 H.B. No. 275, HD 1  
 H.B. No. 1231, HD 2  
 H.B. No. 1781, HD 2  
 H.B. No. 987, HD 1  
 H.B. No. 1130, HD 1  
 H.B. No. 1131, HD 1  
 H.B. No. 910, HD 1  
 H.B. No. 975, HD 1  
 H.B. No. 1512, HD 1  
 H.B. No. 128, HD 1  
 H.B. No. 1108, HD 1  
 H.B. No. 380, HD 1  
 H.B. No. 1565, HD 1  
 H.B. No. 1785, HD 1  
 H.B. No. 1412, HD 1  
 H.B. No. 1188, HD 1  
 H.B. No. 1337, HD 1  
 H.B. No. 1159, HD 1  
 H.B. No. 1253, HD 1  
 H.B. No. 1210, HD 1  
 H.B. No. 1773, HD 1  
 H.B. No. 272, HD 1  
 H.B. No. 1627, HD 1  
 H.B. No. 419, HD 1  
 H.B. No. 1922, HD 1  
 H.B. No. 162, HD 1  
 H.B. No. 501, HD 1  
 H.B. No. 502, HD 1  
 H.B. No. 1226, HD 1  
 H.B. No. 1227, HD 1  
 H.B. No. 1411, HD 2  
 H.B. No. 1943, HD 1  
 H.B. No. 1756  
 H.B. No. 110, HD 1  
 H.B. No. 1152, HD 1  
 H.B. No. 1171, HD 1

The Chair then announced:

"Members, please remember to let the Clerk know which bills on the Consent Calendar you will be inserting comments for the Journal. This must be done before the adjournment of today's floor session. You are allowed to submit your request to insert written comments to the Clerk before the adjournment of today's floor session."

At 9:33 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 10:53 o'clock a.m.

The Chair then announced:

"Members, we are on Part II, the Ordinary Calendar on page 8 of the Order of the Day. At this time, on page 35, Stand. Com. Rep. No. 996, HB 1456, HD 2. We will take this up at the end of the calendar for decision making.

"Also at this time, we will be taking up two items. Page 32, Stand. Com. Rep. No. 941, HB No. 937, HD 2. Also, page 49, Stand. Com. Rep. No. 1198, HB No. 938, HD 1."

## ORDINARY CALENDAR

### UNFINISHED BUSINESS

Representative Herkes, for the Committee on Consumer Protection and Commerce presented a report (Stand. Com. Rep. No. 941) recommending that H.B. No. 937, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that notwithstanding the recommendations contained in Standing Committee Report No. 941, that H.B. No. 937, HD 2, be recommitted to the Committee on Consumer Protection & Commerce, seconded by Representative B. Oshiro.

The motion was put to vote by the Chair and carried, and H.B. No. 937, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTRICAL AND PLUMBING TRADES," was recommitted to the Committee on Consumer Protection & Commerce, with Representatives Luke, Takai, Thielen and Waters being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1198) recommending that H.B. No. 938, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that notwithstanding the recommendations contained in Standing Committee Report No. 1198, that H.B. No. 938, HD 1, be recommitted to the Committee on Finance, seconded by Representative B. Oshiro.

The motion was put to vote by the Chair and carried, and H.B. No. 938, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTRICIANS AND PLUMBERS," was recommitted to the Committee on Finance, with Representatives Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 873) recommending that H.B. No. 356, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 356, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Evans 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 Evans' written remarks are as follows:

"I support efforts to protect children. However, HB No. 356, H.D. 2 does not include appropriations or, at a minimum, language asking for a report to the Legislature on the increase of financial and personnel costs to the Judicial Branch and the State's correctional facilities and programs.

"This law will have an impact. Regardless of the economy our laws guide judges in the sentencing of offenders. Getting tougher on crime has consequences on our budget, and I believe it is important that the public, the Legislative Branch, the Judicial Branch, and the

Executive Branch get the fiscal implications of this law which amends the Penal Code."

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

"Mr. Speaker, I just would like to mention my reservation on Stand. Com. Rep. No. 873. My reservation is that on page 3 of the bill it asks for a 15-year old to be with a child if there's another minor there. There are a lot of young families and a lot of single parents. I would be happier to see a 12-year old be able to take care of another child in there."

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

"Thank you, Mr. Speaker. In opposition to H.B. 356. Mr. Speaker, this bill addresses the issue of endangerment to children left unsupervised in motor vehicles. It's also a 'knee-jerk' reaction to a highly publicized situation that's very rare.

"The bill is objectionable in a couple of ways. First, it says that a child may be taken into custody if the parent cannot be located within a reasonable time. This standard is vague and open to possible contradictory interpretation. I don't think that we should let it stand, given that this situation has great consequences to be left in the hands or the discretion of police officers or those who are respondents into the bill.

"The great consequences that we're talking about is, it's not just that it's a penalty. That's obvious here. The less obvious penalty is actually being referred to CPS. If there's anyone here who's heard of the CPS system in Hawaii and you have been part of at least a part of the proceedings that go on, you'll know how serious it is when parents are subjected to the CPS system. Moreover, under the modern standard, a child who's 15-years old is incapable of taking temporary responsibility for care of younger children.

"Mr. Speaker, on Sunday, at the beach, my thirteen year old child was caught in the rip current, but still tried to help a 10-year old that was also being pulled by the rip current. The situation ended happily since I yelled very loudly and someone with a boogie board came to help. The first thing that the lifeguard who came after the situation was safe said was, 'You know, how come you guys are not watching your kids?' to us parents. Again, we cannot, at this particular situation, be degrading parents in their inability to watch their kids. You are given discretion in the ability of their children to take care of themselves and you stay some distance away from them.

"In this situation that we're dealing with here, some parent and I take a quotation from the Public Defender's testimony. Some parents are not given any discretion whatsoever by this bill. Here's what they said: 'Legislation should not be used to penalize parents who might leave their children in the vehicle in order to run a short errand. Under the proposed law, a parent who merely forgot that a child was in the backseat of the vehicle would be convicted under this particular statute. If they intent of HB 356 is to prevent long-term or unreasonable cases of child endangerment, there are already laws which address these situations. In short, HB 356 encroaches on parental right to make reasonable decisions regarding the rearing of children.'

"We cannot act like 'Big Brother' all the time or be the actual parent. These parental rights will not give parents a chance to be parents. There are already laws that will address situations as those that are highly publicized in the media. Thank you."

Representative Ching 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 Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I stand with reservations in support of H.B. 356—Relating to Child Endangerment.

"A young child who is killed or is injured as a result of being left unattended in a motor vehicle is a tragedy worthy of public attention and debate. I do not believe, however, even though it is such a tragic accident, that it should be criminalized. Education is the key.

"Prosecuting a parent who has suffered such a tragic accident is like 'rubbing salt into a wound'. In the case of putting a child in danger the parent suffers the worst punishment, namely guilt and remorse for eternity. That is punishment enough."

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

"Mr. Speaker, I'd like to, I rise in support. Mr. Speaker, numerous incidents in the last few years have raised awareness of the catastrophic dangers involved when children are left unattended in vehicles. The car could be stolen. The child may put the car in gear. Or the child could be kidnapped or sexually assaulted. Especially with the level of drug use in our State, you never know what might occur. Even if the timeframe is relatively short, it is still dangerous. Take for example the following story dated February 16, 2005 from the *Maui News*.

A 2-year-old Lahaina boy who was left alone for a few seconds in a parked pickup truck managed to put the vehicle in gear, causing the truck to move forward and hit a woman and a building, police said.

"He was alone in the truck for maybe five seconds," said Lahaina patrol Sgt. Ricky Uedoi, who was among officers responding to the 12:46 p.m. accident Monday at Anchor Square. "Within a couple of seconds, the boy somehow managed to get the truck in gear."

The red Dodge extended-cab truck had been parked in front of Pay Day Hawaii in the business complex on Papalua Street when the boy's mother went to an upstairs office to pay a bill, Uedoi said.

He said the boy was in the truck with his father, who took the child out of his car seat in the back after he started crying.

The truck was in the park position with its engine on when the father stepped out to give the mother some money, leaving the boy in the truck, Uedoi said.

He said the father was around the corner, 20 to 25 feet away, when the truck moved forward five to seven feet into the building, hitting an employee from a nearby business who was taking trash to a bin.

The woman was transported by medics to the hospital, Uedoi said.

No customers were in Pay Day Hawaii when the truck rolled into the building, damaging a window and the front door, and blocking the door, Uedoi said.

Uedoi said the boy would have had to press on the brakes to activate the shifter and get the truck into the drive gear.

"That's the youngest driver I have ever encountered in an accident," Uedoi said.

"It underscores the necessity to watch children in unattended vehicles, especially if you have the motor running," Hirata said. "It also underscores the purpose of keeping them in the car seat.

"You can't leave kids unattended in cars, even for a second. Things happen. It could have been real tragic."

"Things happen. It could have been really tragic. This bill would also require applicants of driver's licenses to be tested for knowledge of the issue, as well as vehicle leasers to display the information via stickers on cars. We're not trying to criminalize parents with this, but

we want them to realize the dangers. I just want to ask all of you three questions. Would you leave one million dollars in your car? Would you let your kid play with a loaded gun? Then why leave a child alone in your vehicle? Thank you, Mr. Speaker."

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

"Mr. Speaker, in support. In my previous employment with the former speaker, Representative Lee, I did quite a lot of research on this topic. And it's amazing how many instances there are where leaving a child in a car for even a few seconds has tragic results. I think the most important part of the bill is the educational aspect of it that has to do with when you apply for a driver's license. Just being reminded that it doesn't take very long for a child to be hurt or killed. I mean, not very long at all. Just a matter of seconds. And I think this is an important bill and I hope we pass it today. Mahalo."

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

"Mr. Speaker. May I vote with reservations and request written comments on this? And the reason why I'm still supporting this bill, Mr. Speaker, is because there is an educational component to this, which I think is very important. Those situations the former speaker from Mililani was talking about are really tragic, unfortunate accidents. I can envision myself as a parent going from one side of the car to the other side of the car, around my van, and something unfortunate like that happening, although I'm very careful, when I do leave them unattended for a couple seconds, going from one door to the other. It does concern me that you're criminalizing parents."

Representative Finnegan's written remarks are as follows:

"Mr. Speaker, I rise in support with reservations. This bill establishes a motor vehicle violation that prohibits leaving a child unsupervised in a motor vehicle. I like the educational piece of this bill. The reservation is with criminalizing caring parents. There was an instance where an infant just fell asleep after a very difficult time of crying. The mother ran into the store and could see her child through the window the whole time. Unfortunately bad things can happen in a very short period of time. This applies to any child under the age of 12. The reality is that some kids are already tasked with caring for their younger siblings at this age."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 356, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD ENDANGERMENT," passed Third Reading by a vote of 48 ayes to 1 no, with Representative Sonson voting no, and Representatives Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 875) recommending that H.B. No. 714, HD 1, as amended in HD 2, pass 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. 714, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY VEHICLES," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 876) recommending that H.B. No. 1406, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1406, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Evans 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 Evans' written remarks are as follows:

"I support the protection of minors from the harmful effects of drugs. However, I vote yes, with reservations, because HB No. 1406, H.D. 1, does not include appropriations or, at a minimum, language asking for a report to the Legislature on the increase of financial and personnel costs to the State's correctional facilities and the Judicial Branch.

"This law will have an impact. Regardless of the economy our laws guide judges in the sentencing of offenders. Getting tougher on crime has consequences on our budget, and I believe it is important that the public, the Legislative Branch, the Judicial Branch, and the Executive Branch get the fiscal implications of this law which amends the Penal Code."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1406, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENDANGERING THE WELFARE OF A MINOR," passed Third Reading by a vote of 48 ayes to 1 no, with Representative Bertram voting no, and Representatives Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 877) recommending that H.B. No. 1306, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1306, HD 2, pass Third Reading, 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. I just wanted to make a few comments that this measure properly allows for the additional administrative and civil penalties of up to \$50,000 for securities violations against the elderly. Overwhelmingly, the majority of the elderly want greater protection against this crime and this is the practical, simple solution to implement. The measure makes sense for ourselves and our families. Thank you."

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

"Mr. Speaker, I also rise in support of this measure. This is the Kupuna Protection Act and I request my remarks be inserted in the Journal," and the Chair "so ordered."

Representative Ward's written remarks are as follows:

"Mr. Speaker, I rise in support of this bill. Hawai'i's *kupuna* are one of our greatest resources. They provide us with wisdom, education, love, and their experiences. They raised many of us into the people we are today. As such a valued and treasured resource, they also deserve the greatest protections. This bill looks to add penalty enhancements for securities violations committed against elders to prevent people from trying to take advantage of our elders.

"Statistically, many of them are a part of the 'silent generation' and the 'baby boomers'. The 'boomers' are coming into the age where most of them are being targeted for financial scams. They are being targeted because, as a generation, they hold an estimated \$8.5 trillion of assets to invest. Those savings and assets are attracting the attention of con artists and other violators of securities laws. They are especially targeted because they have the money.

"As opposed to many of the bills we see, this one is practical, simple to implement, shown to be effective in other contexts in Hawai'i, and will not incur additional cost to the public.

"Besides *kupuna* being deserving of this protection, these kinds of crimes are especially reprehensible because *kupuna* are often no longer working and expect to live off of savings and these investments, which they have accumulated over a lifetime. Investment fraud could leave many of our elders destitute and forced to re-enter the workforce. Mr. Speaker, our *kupuna* earned this time to retire and should not have to work unless they want to.

"There is also an intergenerational consequence of these kinds of securities crimes. The number two reason for saving, after retirement, is to leave an inheritance. Investment fraud robs seniors of the ability to provide for their families and leave an inheritance.

"Imagine how you would feel if you lost your life savings to some kind of securities fraud, and now you could no longer leave an inheritance to your offspring, and in fact, now you had to rely on them to take care of you. This is just wrong, it must be stopped, and this bill will be a huge step forward to protecting our *kupuna* and showing them the respect they deserve. Thank you and I urge all my colleagues to support this good bill."

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

"I'm standing with reservations. Mr. Speaker, like the previous bill that we just discussed, Stand. Com. Rep. No. 873, this measure uses an age to measure the person's ability to deal with certain situations. We're talking about 62-year olds, but say nothing else. We're just using age. Just because the person is age 62 and above, we're saying this person is incapable of taking care of his or her self. If you were somewhat being targeted, this particular person or anyone 62 and older will have enhanced penalties. I think age should not be used.

"Instead we should maintain a policy to keep age out and just use maturity or ability as a better measure. We're going to be dealing with a lot more bills inserting age as a measuring stick. I don't think this is good public policy because, look around. There are people here who are 62 years old. Obviously they don't need protection. Or any special protection. They're entitled to the same protections as everyone else. They should not get any special protection just because they're 62 years old."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1306, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENHANCED PENALTIES FOR SECURITIES VIOLATIONS COMMITTED AGAINST ELDERS," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 879) recommending that H.B. No. 1721, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1721, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Evans 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 Evans' written remarks are as follows:

"I support the protection of emergency medical services personnel. However, I vote yes, with reservations, because HB No. 1721, H.D. 1, does not include appropriations or, at a minimum, language asking for a report to the Legislature on the increase of financial and personnel costs to the State's correctional facilities and the Judicial Branch.

"This law will have an impact. Regardless of the economy our laws guide judges in the sentencing of offenders. Getting tougher on crime has consequences on our budget, and I believe it is important that the public, the Legislative Branch, the Judicial Branch, and the Executive Branch get the fiscal implications of this law which amends the Penal Code."

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

"Thank you, Mr. Speaker. In support. Emergency Medical Services workers serve a public need and face a high level of risk in the line of their duty. In fact, at our hearing, the Chief of EMS for the City and County of Honolulu stated that they've already had a number of serious injuries to their paramedics and it is inherent in their line of work.

"This measure will provide EMS workers with the same protection that police officers, firefighters, bus drivers, prison guards and teachers already have. For the foregoing reasons, I ask that Members support this measure. Thank you."

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

"Thank you, Mr. Speaker. Very brief comments in support. On call, about two months ago, two of our emergency medical services personnel had a gun pulled on them. They were taking care of an individual in a family that was having a mental health crisis. They went about their business, just kind of pushed through it and hoping they wouldn't be shot. And they weren't, but it was a very harrowing experience. I think they'll appreciate this bill. Thank you, Mr. Speaker."

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

Representative Ching's written remarks are as follows:

"I rise in support of H.B. 1721 -- Relating to Violence against Emergency Medical Services Personnel, which increases the penalties for violence or threats of violence against emergency medical services personnel.

"The emergency medical services profession has grown and evolved into a very unique blend of public safety and medical care. Personnel are placed in danger everyday due to the nature of their work. The epidemic use of "ice," weapons of mass destruction, gang and domestic violence etc. has added a myriad of new challenges for first responders. These workers get sent to "unknown type of calls," domestic abuse cases and irate people who want to prevent their work from getting done and they are unarmed. Emergency personnel are not equipped nor trained to combat against violent attacks.

"It is imperative that our laws work to protect everyone, including those who work to serve and help others. In our society, people who are employed in certain types of jobs, such as police and firefighters, are given special protections because they serve a public need and because they face a high level of risk in the line of duty. For the same reasons, health care workers should be given similar protections."

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

"I'm standing in strong support and I would like the words of the Representative from Kalihi and the Chair of Health entered into the Journal as my own. Thank you," and the Chair "so ordered." (By reference only.)

Representative Manahan rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Manahan's written remarks are as follows:

"Our emergency medical personnel constantly expose themselves to job hazards. In treating people without knowledge of their medical history they may be exposed to blood-borne and airborne pathogens. In treating people who may be intoxicated or under the influence of narcotics, our emergency personnel may face irate and unreasonable personalities and occasional threats of physical violence. In order to protect our personnel and encourage others to pursue emergency services career, we must offer some modicum of safety for this essential workforce. This bill will bolster employee confidence in their safety, resulting in a working environment that allows them to do their jobs in an efficient and professional manner."

Representative Tokioka rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Tokioka's written remarks are as follows:

"Mr. Speaker, thank you for the opportunity to stand in strong support of standing committee report 879 House Bill 1721, H.D. 1.

"Everyday we read and hear about the violence and crime in our communities, most of them are related to drugs, specifically ice. When our women and men in the service of emergency medical response risk their lives everyday to keep us alive this is the least that we can do to support them. Thank you, Mr. Speaker."

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

"I'm in strong support and I'd like the comments of the Representative from Kalihi to be entered into the Journal as if they were my own," and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1721, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VIOLENCE AGAINST EMERGENCY MEDICAL SERVICES PERSONNEL," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 881) recommending that H.B. No. 154, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 154, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Evans 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 Evans' written remarks are as follows:

"I support efforts to stop driving while intoxicated. However, HB No. 154, H.D. 1 does not include appropriations or, at a minimum, language asking for a report to the Legislature on the increase of financial and personnel costs to the Judicial Branch and county police departments.

"This law will have an impact. Regardless of the economy our laws guide judges in the sentencing of offenders. Getting tougher on crime has consequences on our budget, and I believe it is important that the public, the Legislative Branch, the Judicial Branch, and the counties get the fiscal implications of this law which amends the Penal Code."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 154, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE SAFETY," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 882) recommending that H.B. No. 160, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 160, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Yes, Mr. Speaker. I'm going to be speaking in opposition to this. I voted for this all Session because I do believe people deserve second chances. But just thinking about it more, I thought about what kind of people may be out on the streets as a result of this.

"Basically, what this measure does is it establishes an application process which a person who is convicted of multiple DUIs may request reinstatement of the privileges of a driver's license and registration of any vehicle which were revoked for life by the Judiciary. Specifically, those whose record shows three or more prior alcohol enforcement contacts, or drug enforcement contacts during the ten years proceeding the date of the license revocation.

"Basically it allows a person after ten years of having their license revoked to, possibly get it back. I'm just a little concerned. I re-read the testimony from the Honolulu Prosecuting Attorney which stated that in 2005, over 51% of the traffic related deaths were because of alcohol. And I'm very concerned about that. The Prosecutor reminded us in his testimony that recognizing that impaired driving has resulted in needless death and injury to the public, the State had passed laws which require the lifetime revocation of driver's licenses for persons who have been found driving impaired three or more times within a ten year period.

"We believe this is sound policy given that drivers with prior convictions are overrepresented in fatal crashes and have a greater risk and have a greater risk of having a fatal crash and possibly hurting innocent victims. We also believe if the people are permitted to request a reinstatement from previously imposed lifetime revocation it would impair the deterrent effect of lifetime revocation. The threat of an absolute lifetime revocation was intended to make it clear to the people who choose to drink and have been previously found to be driving impaired, that they could not and should not continue to drink and then drive.

"The Honolulu Police Department said these are the same drivers who continue to drive after being convicted. They continue to drive drunk after being convicted, endangering everyone on the road. Just in light of all the recent traffic related incidents, I think that maybe ten years is not enough time. If they're having three of more convictions within a ten year period, and that's what causes them to have their license taken away, I think a ten year break after that may not be enough for these types of drivers. Thank you."

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

"Thank you, Mr. Speaker. I rise in strong support of this measure. Mr. Speaker, just some background. This particular measure came to me through the Church of the Nazarene in Wahiawa and also the Church of the Nazarene, State of Hawaii. This situation arose when one of their ministers, who had a prior addiction to alcohol and had several DUI convictions, went through a period of rehabilitation where he received counseling. He went to AAA classes and I think had remained sober for about thirteen years. He's been clinically

diagnosed and medically certified to be free from the substance abuse of alcohol.

"But because of the current law, Mr. Speaker, he is unable to obtain a driver's license. And that was even compounded further, Mr. Speaker, by having his wife, who was his driver, pass away about two years ago. So he was put into the situation of being unable to service his flock at his church. And because of that, well you can imagine the consequences there and the predicament it placed them in. Would he violate the law to try and take care of his membership? Or should he abide by the law and be unable to serve his flock? So that's how this thing came to me, Mr. Speaker.

"I think, Members need to understand that it lies at the Adult Driver's License Revocation Office whether or not to grant this. Furthermore, Mr. Speaker, this will be done on a petition by affidavit or a medical certification and documentation; that the person applying for this privilege to have their driver's license reinstated is clean and sober and doesn't have the effects of any kind of addiction, either drugs or alcohol.

"Mr. Speaker, I believe in the rehabilitation of mankind. I believe that people can change. And I think that this bill gives an opportunity to those who have demonstrated beyond any reasonable doubt that they have, in fact, changed and turned their lives around. And for this reason, Mr. Speaker, I hope this bill moves forward."

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

"Thank you, Mr. Speaker. I rise in opposition to this measure, administrative license revocation. Thank you very much. I will point out that the Prosecutor said that Hawaii had 140 traffic deaths in 2005 and over 51% were alcohol related. I think we'll probably beat that figure this year. The Prosecutor points out that the threat of an absolute lifetime revocation was intended to make it clear to people who choose to drink and had been previously found to be driving impaired, that they could not, and should not continue to drink then drive.

"On the other hand, I will note that the Mothers Against Drunk Driving testified in support of this measure. And they have no objection in principle, to the idea of allowing someone with a lifetime revocation to reapply if they could fully and convincingly demonstrate beyond a reasonable doubt that they have earned a chance to do so. Unfortunately, they go on, the present bill contains a number of difficulties which would render it virtually impossible to implement, were it to become law. And the Administrative Driver's License Revocation Office has highlighted these difficulties.

"Mr. Speaker, this Office submitted six pages of testimony on why this would be extremely difficult to implement. It outlines some of the barriers that must be overcome should this bill go forward. Because it's six pages, single-spaced, I will not request that it be inserted in the Journal. However, I will bring it to the attention of the Judiciary leadership to please pay careful attention to the problems that this bill presents. Thank you, very much."

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

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

"Thank you, Mr. Speaker. I would like to enter a no vote and I would like the words of the Representative from Ewa Beach as my own, as well as additional comments. I too believe very strongly that people can recover and rehabilitate. And I believe in second chances. What this bill represents to me, though, and what I'm reminded of is that many if not most alcoholics would actually admit to be a recovering alcoholic. So what that means to me is whether or

not you're ten or fifteen years down the line, free of the active alcoholism, that in a situation where there is a death in the family or something that's very hard, that the reason why you're called a 'recovering alcoholic' is because you may have the tendency to go back and drink.

"If you had a situation in your past where you had multiple convictions, then what happens in this bill, I think, it no longer becomes an accident should that person hit an innocent driver, or an innocent pedestrian because we just gave, with all their history, we just gave that particular driver the ability to go back on the road. And if they're, because they don't have a bill like this, they're going to break the law to travel around town, then that just shows that that person is not trustworthy of being on the road, because that is the law at that current time.

"I would also say that there are some bills where you would make a bill to address one situation. And there are some situations where you would do this. But in this situation, you are addressing one person at this moment in time at the sacrifice of possibly many people.

"Mr. Speaker, there are still modes of transportation that they can take. There's The Bus. They can get a ride from someone. There are different types of things. You can call the Handi-Van, or those types of things. A cab. We possibly will have a rail system soon. There are other ways of getting around, Mr. Speaker. So I stand in opposition to this bill."

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

"Thank you, Mr. Speaker. In support with a couple of reservations. The previous speaker talked about alternatives to driving. That holds for Oahu. It certainly doesn't hold for my district.

"I'm an alcoholic. I've said that on the Floor a number of times. I've been alcohol free for 32 years. And I think people like me deserve to have a second chance. Forty years ago, my license should have been taken away a number of times. I know that. The only problem I have is, how does anybody know that I haven't had a drink for 32 years? I know. But I don't think anybody else can prove that. So that's my only reservation. Thank you."

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

"Mr. Speaker, I rise in support. Just very briefly, I wanted to counter some of the concerns that were brought up. First, I just want to say how it is that we would know that somebody is sober. On page 1, lines 12 through 18, it does require certification through a drug alcohol counselor. So we actually have to have some degree of testing and reliability to make sure that they haven't gone back.

"But more importantly, I think is actually subsection (d) found on page 2, lines 9 through 14. Basically what that's saying is we'll give that person a chance for a hearing. And at the hearing they have to prove by clear and convincing evidence, which under the civil standard is the highest standard you can have. It's almost like in a criminal case where you have to prove things beyond a reasonable doubt. It's a really, really high burden to prove.

"What this comes down to is a philosophical debate. Sometimes people want to have a 'cookie cutter' approach to justice. They want to say, 'I don't care what you've done in the past or how you may rehabilitate yourself in the future. If you do these violations a number of times, we'll give you this sanction, regardless.' But I think our justice system has always said, most of the time, we will try to give people a chance. And that's why we have things like the Paroling Authority.

"Even if you've committed the most heinous crimes, you still get the opportunity to come forward and try to prove that you're no longer a harm to the public. Most of the time you won't be able to do so because the burden is very, very high, as it is in this bill, and I think rightfully so. The burden should be high. You have to prove that you're not going to be a danger to the public. But I think at the very least, at the very least, a person deserves that chance and we shouldn't just be having a 'cookie cutter' approach to every single person and every single circumstance, when a case by case basis is actually the best way to deal with things. Thank you."

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

"In support. I think the opponents of the bill made some very good points. We are talking about traffic safety and saving lives, and I understand that. In fact I introduced the bill that would not tolerate any alcohol while driving. Unfortunately, that bill did not pass, or did not come to the Judiciary Committee. However, there are safeguards built into this bill.

"One, the applicant has to be approved by a certified substance abuse counselor. They have to have no arrests or convictions whatsoever, in anything, whether it be alcohol related or not, for ten years prior to applying for this permit. They have to prove by clear and convincing evidence that they would not create an undue risk of harm to the public. And lastly, the ADRO can deny the request. They have the discretion to deny the request. 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. 160, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE LICENSE REVOCATION," passed Third Reading by a vote of 43 ayes to 6 noes, with Representatives Awana, Ching, Finnegan, Marumoto, Pine and Ward voting no, and with Representatives Takai and Thielen being excused.

At 11:25 o'clock a.m., Representative Takamine requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 11:25 o'clock a.m.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 883) recommending that H.B. No. 248, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 248, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I am standing in opposition on this measure. The purpose of this bill is to repeal a ten-round capacity limit on pistols. And as I've stated in previous arguments on this matter before, there's really no need for our society to have a rapid-firing gun or semi-automatic weapons. Even, I think that when we use these guns or weapons, if you can't do it in one round, you might as well forget it. And I brought some statistics that show most gun owners ... Not most, maybe some of the gun owners end up using it on their families. So I think this legislation is heading to the wrong direction, and that we should keep the legislation that we have now. Thank you."

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

"Thank you, Mr. Speaker. I'm in support of this bill. The federal government allows this now. And that's the way most of these magazines are made. And most of the people that use these are doing target shooting. Thank you."

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

"Thank you, Mr. Speaker. In strong opposition to this bill. With the repeal of the ten-round limit, there's nothing to enhance public safety or the safety of our law enforcement people. It's just perplexing to me to understand why people need to shoot off more than ten rounds in rapid fire. Again, in strong opposition."

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

"Mr. Speaker, in support with some reservations. This law as it currently stands, prohibits the use of magazine clips with a capacity of over ten rounds. The bill would remove the provision on the use of such magazines. The current law provides protection from the use of large capacity firearms. HB 248 before us, addresses concerns that existing law is too harsh on law-abiding citizens who engage in sport shooting. HB 248 amends HRS 134 by removing existing prohibition of the use of magazines with over ten rounds.

"The bill, however, Mr. Speaker, is overly broad in its attempts to provide relief for sport shooters for it merely exempts magazines that are not recommended or manufactured by the manufacturer of the particular pistol. There was testimony before the Committee that I attended, Mr. Speaker. Those who are sport shooters are merely saying they need a magazine that can be competitive. They are not saying, 'We want every magazine that the manufacturer manufactures for this particular pistol.' So I think we should tame this down. It might just play out the other way."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 248, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS," passed Third Reading by a vote of 39 ayes to 10 noes, with Representatives Belatti, Berg, Cabanilla, Luke, Morita, Nishimoto, Rhoads, Saiki, Shimabukuro and Wakai voting no, and with Representatives Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 884) recommending that H.B. No. 894, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 894, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker with reservations and short comments. Thank you, Mr. Speaker. I guess I would just like clarification. I don't understand the purpose of this bill. As I was reviewing the bill, it talks about giving a commercial license to those who are between the ages of 18 and 21, but the vehicles that they can drive are designated in sections 386-102B3 which is your basic driver's license vehicles. So I just don't know what this accomplishes in regards to commercial driver's license, except for in name. That you get a commercial driver's license, but you can't really drive anything that would be considered a larger commercial vehicle. Thank you."

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

"With reservations. Mr. Speaker, this is another bill that uses age as a measuring stick for abilities. I support a bill that would allow anyone that is qualified by taking the tests. It doesn't matter what their age is. This particular bill is for commercial driver's license. I think that the requirements, in order to apply for such a license, are too harsh. If you are in violation of State or local law that, for example, an illegal lane change, you can be ticketed for an illegal

lane change by just forgetting to put your blinker on. Anyone can make that mistake.

"If the person can pass a test, regardless of their age, at least above 18 years of age, they should be allowed to apply for a driver's license. These impediments that are in the bill make this sort of useless. What we're really saying to the people who are 18-years old and otherwise passing the test, or able to pass the test, that we really are just giving you this opportunity, but we don't want you to really apply for it."

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

"In support. The portion of the bill that the Minority Leader talked about, she's accurate. It's a Type 3 type of license. If you look at the back of your license, it's 'Passenger vehicles of any GVWR, buses designed to transport fifteen or fewer occupants, trucks and vans w/ 15,000 lbs. GVWR or less.' That's the license that we all hold. But if you're 18 to 21 and you want to drive, say, a tour bus that fits under this, or a delivery truck, you need a CDL. But you can't get one to drive a van that we currently have the power to drive. But if you're working for somebody and you're paid, you need a CDL. And this allows them to do that.

"The other thing is that the advocates of the bill told us in the Committee is that there's a shortage of drivers and this would help them out a lot. 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. 894, HD 2, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL DRIVERS' LICENSES," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 885) recommending that H.B. No. 1057, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1057, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I rise in opposition. I might note that in the Report, the Coalition for a Tobacco Free Hawaii and the Drug Policy Forum Hawaii opposed this bill. And I'm a member of the Maui Coalition for a Tobacco Free Hawaii, so I also oppose it."

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

"Mr. Speaker, I rise in opposition of this bill merely because this bill came to light with the insertion of the word, 'possess'. And I think this is too broad and too vague. I would be happier if I see it to be more descriptive. Possession by a minor. He could be carrying a bag for his mom, and that makes it a possession. He could be asked to carry a container and maybe he didn't know there was a cigarette there. This minor is now charged with it. I would be happier if they would add on a statement like, an open package would be considered possession. But right now I cannot support it because it's too vague and I think it needs more work. Thank you, Mr. Speaker."

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

"In support. Thank you very much, Mr. Speaker. The purpose of this bill is to deter minors from using tobacco products by making it unlawful for possession and use. Mr. Speaker, although we have much success with going after tobacco companies and point-of-sale purchases, Mr. Speaker, we need to also look, not only look at where

the supply is coming from, but also demand. We need to address that by deterring minors.

"This measure will not address all, but if we can address just one, just one from every one of our districts, that's 51 less smokers in the future. Mr. Speaker, this is not the answer to decreasing smoking altogether, but it's just one other element. Thank you very much."

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

"Thank you, Mr. Speaker. With reservations. I just have short comments just in regards to the enforcement of this issue. I have some questions in regard to that. 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. 1057, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TOBACCO," passed Third Reading by a vote of 47 ayes to 2 noes, with Representatives Bertram and Cabanilla voting no, and with Representatives Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 886) recommending that H.B. No. 1058, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1058, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising in opposition to this bill. This bill is meaning to discourage minors from buying, or trying to buy liquor and possessing it. We think we're really coming down on them. It criminalizes the use of false identification for the purpose of gaining entry to premises that sell or serve liquor, but then all it does is fine them.

"What we've seen is that it's more effective to have them lose their driver's license. 38 states have adopted 'use and lose' laws. While this bill, I think maybe it was in there in the beginning, but now it's just become a fine, getting larger and larger for subsequent violations. I don't know that they're arrested, but when they find them in possession. I think we should look to the other states and maybe when this bill goes over to the Senate, they will put the 'use and lose' teeth back into this bill.

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

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

"Just additional comments, in opposition. I do believe it started as a really good bill and unfortunately it does undermine the biggest deterrent for minors using alcohol, and that is taking away their license. We really hope that they'll be more stringent as this bill moves forward."

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

"Thank you, Mr. Speaker. In support. Mr. Speaker, this bill does not take anything away from the current law. All it does is it adds an option for Neighbor Islands, basically, because of the inadequate mass transit system. If you take away a driver's license from a minor, from someone who's under 21 on the Neighbor Islands, you might have other impacts that create other issues. I think that's unintentional. You still can take away their license, but the fine is



just an option to add some sort of stick at the end of the day. 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. 1058, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR," passed Third Reading by a vote of 42 ayes to 7 noes, with Representatives Awana, Ching, Finnegan, Marumoto, Meyer, Pine and Ward voting no, and with Representatives Takai and Thielen being excused.

At 11:39 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 356, HD 2	H.B. No. 160, HD 1
H.B. No. 714, HD 2	H.B. No. 248, HD 1
H.B. No. 1406, HD 1	H.B. No. 894, HD 2
H.B. No. 1306, HD 2	H.B. No. 1057, HD 1
H.B. No. 1721, HD 1	H.B. No. 1058, HD 2
H.B. No. 154, HD 1	

### LATE INTRODUCTIONS

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

Representative Mizuno introduced former State Representative Dennis Arakaki who was accompanying the members of the Okinawa-Hawaii Student Exchange Program.

Representative Takamine introduced the student members of the Okinawa-Hawaii Student Exchange Program and their Chaperones, Mr. Yoshikazu Matsubara, Mr. Yoshiichi Higa, and Ms. Riko Maeshiro. They were accompanied by Ms. Susan Saito, Department of Education Coordinator, and Mr. David Arakawa, President of the Hawaii United Okinawa Association.

### UNFINISHED BUSINESS

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 890) recommending that H.B. No. 777, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 777, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Har's written remarks are as follows:

"Mr. Speaker, I stand with strong support on HB 777, HD2, Stand. Com. Rep. No. 890.

"Mr. Speaker, in 2001, this able body enacted the Hawaii Educator Loan Program ("HELP") to deal with recruitment and retention of public school teachers. HELP was a recommendation made by the National Commission on Teaching and America's Future Hawaii Policy Group that was comprised of all Hawaii's educational stakeholders including the then Chair of the Education Committee in the House of Representatives.

"HELP is a loan forgiveness program administered by the University of Hawaii College of Education which allows any student who attends the UH COE and receives his or her degree in education, and then teaches in the Department of Education for six consecutive years, to have his or her loan forgiven. In 2001, when the Hawaii Educator Loan Program was enacted, the Legislature appropriated

\$100,000 to this measure which benefited approximately 23 students who are now teaching in the DOE.

"This bill requests an appropriation to ensure that the Hawaii Educator Loan Program continues to bring students into the profession of teaching and to address the teacher shortage we are facing in our public schools. Accordingly, I stand in strong support of HB 777, HD2. Thank you, Mr. Speaker."

Representative Ward rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ward's written remarks are as follows:

"Mr. Speaker, I rise in support of House Bill 777, House Draft 2. This bill will appropriate funds to the Hawaii Educator Loan Program. The program forgives student loans for those who choose to enter the teaching profession. This provides a great incentive for prospective teachers by reducing the cost of completing their teacher preparation program.

"By spreading out the loan forgiveness over a six-year period, the program ensures that the individual commits to staying in teaching for at least six years. This amount of time has shown to be the critical period after which most will stay. By increasing the number of qualified teachers in the DOE applicant pool, this program helps alleviate identified shortage areas in Hawaii's schools.

"For these and other reasons, I stand in support."

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

Representative Awana's written remarks are as follows:

"Thank you Mr. Speaker. I rise in support.

"As we are all aware, Hawaii is facing a teacher shortage. Due to the high cost of living and lower pay wages, teachers are leaving Hawaii for other states. This bill assists in addressing this shortage.

"Many teachers assistants want to further their education in teaching. Currently, tuition charges are too expensive for those on a teaching assistants' income. The Hawaii Educator Loan Program will pardon student loans for those who choose to enter the teaching profession.

"Moreover, the programs requirement of spreading out the loan forgiveness over a six-year period will retain these new teachers in hopes that they will establish a connection to the school and the community. 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. 777, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EDUCATOR LOAN PROGRAM," passed Third Reading by a vote of 48 ayes, with Representatives Cabanilla, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 896) recommending that H.B. No. 150, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 150, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Pine rose to disclose a potential conflict of interest, stating:

"I just wanted to stand up and say that I may have a conflict because I work for a homeless shelter," and the Chair ruled "no conflict."

Representative Pine continued in support of the bill, stating:

"And that this is a very good bill."

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

Representative Shimabukuro's written remarks are as follows:

"The housing crisis continues to affect individuals and families across the State, resulting in rising rents and the loss of inventory of affordable housing.

"The plight and the number of homeless individuals living in the streets, beaches and parks increases daily adding to the "hidden" concerns of our community members whose access to beaches and parks are now limited due to health and safety concerns caused by overuse in the parks.

"Our public housing projects continue to be in need of repair and renovation. The inability of the public housing programs to complete repairs and renovations due to funding concerns only contribute to our housing problems.

"The urgency of the crisis in housing requires immediate State action.

"This bill appropriates funds to the Land Conservation Fund pursuant to Section 173a-5; Rental Housing Trust Fund established by Section 201h-202; Natural Area Reserve Fund established by Section 195-9; public housing repairs and renovations; continual operating funds for outreach and supportive services to homeless; operational funds for emergency and transitional shelters to maintain and enhance support services for the homeless population; operational monies for shelter, plus care grants which will enable all of these programs to implement services to accomplish these priorities.

"Your consideration and passage of this bill is important for the well being and development of quality of life experiences for our constituents throughout the State of Hawaii."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 150, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Third Reading by a vote of 48 ayes, with Representatives Cabanilla, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 900) recommending that H.B. No. 1002, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1002, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. This bill is set up to penalize speculators. The description is, 'Establishes an anti-speculation capital gains tax on net capital gains realized by a seller of real property.' And it has different taxes, depending on how long you hold the property.

"I'm concerned about this because if this bill was an enacted, this measure would send out a strong signal to investors that Hawaii is not a good place to invest capital, and there is a potential that the

philosophy reflected in this proposal would be extended to other types of investments, whether it be real or personal property. In other words, if you make a profit, we're really going to tax the heck out of you.

"We have to be very careful about sending that message because without the influx of new capital, the potential for economic growth in Hawaii will become quite depressed. Thank you, Mr. Speaker."

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

"I'll be speaking in opposition to this measure. I guess what I'm concerned about is there are just a couple of questions, and maybe they can be clarified. First if the real property was held by the seller for less than 6 months prior to the sale, it will be 60 percent of the capital gains tax owed. It's held from 6 to 12 months, it will be charged 30 percent of the capital gains owed. And from 12 to 24 months, it will be charged 15 percent of the capital gains owed.

"I could be wrong, but it's my understanding that capital gains is not taxed on the sale of a house until after 12 months. So I'm just a little curious of why this calculation is set on those numbers. Basically, if your house is sold before 12 months, it's considered income tax.

"I'm just really concerned about this philosophy, that the speculators are the true cause of raising the cost of housing in Hawaii. I believe the true cause of high cost of housing in Hawaii is us. Government. It's been government that has prevented an easy permitting process for those who want to build affordable housing. I just heard yesterday, a couple of developers talking about how a friend of theirs is willing to build this affordable housing apartment complex for seniors. He has every single unit filled, but he's been waiting for such a long time to get the permits approved. And government can change that.

"I think this bill also assumes that those that are turning these houses are these big companies. But I can tell you, there's a lot of elderly people in my neighborhood that turn a house a year. And that pays for their medical costs and prescription drugs. I think this really assumes that this is the true cause of why houses are going up. But I tell you, there will be no speculators buying and selling houses if the local people of Hawaii didn't have such a high demand to buy these houses. So I think we really need to go back to the root of the true cause of why there's not enough housing in Hawaii. We obviously have a high demand by the local people. So let's build more houses and allow them to be built. Thank you."

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

"Thank you, Mr. Speaker. In strong support. I rise in strong support of this bill, which along with a number of my colleagues, was introduced as part of the House Majority Package.

"Mr. Speaker, how can you deny that speculation is not contributing to the increase in the cost of housing when neighborhoods in Makaha have homes that are selling for millions of dollars? And now property taxes for a lot of the local residents in those neighborhoods are as high as \$400 a month. This bill is one of many that have been submitted to address our housing crisis. It targets the practice of real estate speculation, which is adversely affecting the affordability of homes. It penalizes, through a graduated anti-speculation tax, those who buy and resell real property within short periods of time, that is from less than six months up to 24 months.

"Your Committee on Human Services and Housing took heart to much of the constructive criticism and helpful suggestions made by those who testified in the public hearing. The current House Draft 2 again reflects that input.

"In response to the Department of Taxation, which noted that the original bill appeared to punish every home owner, regardless of whether the property in question was the primary residence, HD 2 adds language that new tax shall not apply to properties that qualify for the county homeowners' exemption. The Department further noted that the bill failed to consider military personnel and others who may have to sell due to unforeseen circumstances and this bill now has language exempting individuals who sell properties as a result of military relocation orders, as well as those who are compelled to sell a residence to a change in employment or for health reasons.

"The Hawaii Association of Realtors questioned why the sale of unimproved property was not subject to the proposed tax increases. They offered a scenario whereby an investor could demolish a property with existing improvements, evict the tenants and sell the vacant lot to avoid the anti-speculation tax. HD 2 addresses this concern.

"Mr. Speaker, I believe this is a good bill. It deserves the support of my colleagues and should be passed on Third Reading. Mahalo."

Representative Souki rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I wish to disclose that I am a realtor," and the Chair ruled, "no conflict."

Representative Souki continued in opposition to the measure, stating:

"Thank you very much. I wish to speak against this measure. First of all, I want to commend the Chair for coming up with a measure to assist in lowering the cost of real estate in the State of Hawaii, but I want to remind the Members here that the high cost of real estate in Hawaii is very complex and it's many factors that lead to the high cost of real estate. One is that only 10% of the land in the State of Hawaii is available for residential use. So you have a limited supply of land that's available for residential use. The forces of supply and demand take affect in an island state where you have a limited supply of land that's available and of course the price, correspondingly, goes up.

"Also, some of the laws that we have, in our intent to do good, in time will have unintended consequences. My good friend in the Land Use Commission who takes years, two, three years to get land re-designated. Then it goes to the counties and it takes a long time there too, years at times to get the land to be available for subdivisions. So as you're going to build your homes, the time has gone by, three, four, five years in the developmental process. And therein lies the problem. In the meantime, because of the scarcity of land that continues to go up, and the escalating price of materials where at one time you could buy a home at maybe \$70 or \$80 a square foot, now it's like \$200 a square foot. The cost of materials.

"So there are a lot of factors that enter in here. Sometimes when we look at a simplistic view, it may only continue to hurt the real estate market. So on this basis, I speak against this. However, I want to continue to commend the Chair of Housing as she tries to alleviate and provide more homes for good people of the State of Hawaii. Thank you very much."

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

"Mr. Speaker, in strong support. First, I'd like to incorporate the comments of our Housing and Human Services Chair as if they were my own. And I would like to also echo the Speaker Emeritus in terms of commending the Chair of Housing and Human Services for really digging in deep and trying to address this very complex problem, as has been stated.

"There's no simple answer to the issue of affordability. As you know, it's a theme of our Majority Caucus this Session, to try to come up with ways to try to make it easier for people to live in our State and to get by, and to rent or pay a mortgage, and feed their children. And this is one of these efforts. There's multiple ways to approach it. We're going to be looking at a permitting bill also, that deals with fast-tracking. We've heard some people talk about that. But this bill is to try to get at the speculation problem.

"There's no doubt that speculation does have some kind of impact or contribution to increasing the price of housing. And just some statistics, Mr. Speaker. In the last year that Coldwell Banker did a study for the national average of housing across the country. In 2005, the average price of a home was about \$400,000. A little over \$400,000. In 2005, that same year, the most expensive market in the State was in Kihei. And the average price of a home was \$745,000, Mr. Speaker. And the most affordable, lucky for us, is in urban Honolulu. It was just \$737,000. That's in 2005. Just to compare.

"It tells you what the residents of our State face, every day, just trying to live here. We all experience it. In 2006, a family of four renting an accommodation in Honolulu, would have to earn, Mr. Speaker, \$111,000 or 55% more in income to maintain a lifestyle similar to that on the mainland, which is about \$72,000. That's a lot of money for a family of four to earn in order afford a home in this State. Something needs to be done about that.

"In 2005, we ranked number 10 out of 47 states surveyed with the most expensive housing markets. We're down, number 47 out of 50 states for the least affordable housing market. So there are people who are troubled by this because there's no doubt that this legislation will impact people who speculate in our housing market. And we know many of those people. They're our friends, they're our neighbors, they're the people who vote for us. And the Chair of Housing of and Human Services has tried to address many of their concerns.

"She has, as mentioned, put in three exceptions. One is if you sell the property for affordable rental housing. That makes sense. The second one is that if you change your place of employment or for health reasons or unforeseen circumstances. This is a very broad loophole for people who have to sell within this time period. And finally, if your home is condemned or destroyed and you have to sell it, you are not penalized by this capital gains tax. But perhaps most importantly, Mr. Speaker, the real catch-all is that it doesn't apply if you have the homeowner's exemption. That means all of us here in this Chamber who live in the homes in the districts that we represent, would not be impacted should we sell our homes within the period that this bill attempts to regulate.

"What it does address, for example, are these high rise condos that you see going in Kakaako. And we've all read the stories in the paper in the past couple of years about people who purchase units prior to the building even going up and then 'flipping' them in the interim period, for many hundreds of thousands of dollars more. That has an impact on the overall housing market, driving up the price of housing for everyone.

"So I think the Chair of Housing and Human Services is on to something. It is difficult because it will impact people who want to speculate. But it is a part of the solution to this problem that's not going to go away unless you make these tough decisions. Thank you very much, Mr. Speaker. I hope everyone supports this bill."

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

"I'm rising in strong support for this bill. As mentioned earlier, my district is where the highest rates for houses are established. And there is a perception, in spite of the complexity of this issue, in the public when people do want to simplify it, that 'flipping' is a major part of this. Everybody has their story in Kihei about houses that have been 'flipped'. And so just to go back and say we did do

something that addressed a concern and constructively, in spite of all the loopholes as has been mentioned, I think it's going to be a great thing for our Legislature. Thank you."

Representative Pine rose to respond, stating:

"Just a rebuttal. I just want to mention that those houses or condos or apartments in Kakaako would not be able to be 'flipped' the way they were if the demand for them weren't so high. If there were more housing allowed to be built for the people of Hawaii. And I do empathize with the cost of living in Hawaii, because as a legislator, I don't get paid a lot either. I decided to work for a homeless shelter, so that was two double things I did for society, but I'm having a great time.

"But the greatest thing that government can do to lower the cost of living in Hawaii is to lower our taxes. And I don't think that a lot of people are willing to take that stand and realize that it's government that's causing a lot of our problems of affordability in Hawaii. And government can also choose to not raise the property taxes on those families in Makaha. So they can do that as well. And again, we're not really addressing the true problem and that's the problem that we don't have enough housing, and we're not doing enough to provide more housing for the people of Hawaii to keep the prices down. Thank you."

Representative Shimabukuro rose to respond, stating:

"Mr. Speaker, I just wanted to add, again in support, that the benefits realized from this bill will be deposited into the Rental Housing Trust Fund. And speaking of government, the Administration, the Hawaii Housing Finance Development Corporation, Housing Hawaii, which is a big consortium of private and non-profit housing advocates, they all support increasing the funding to the Rental Housing Trust Fund with big infusions. And this bill, Mr. Speaker, would directly support that effort.

"The Rental Housing Trust Fund, as we know, it supports building rental housing. Primarily for those at 60% or less of the area median income. A much, much direly needed source of housing stock. I think if you can step back and look at the bigger picture, this is supporting something that that everybody from both sides of the aisle is saying is needed, which is more money into the Rental Housing Trust Fund. Thank you."

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

"Mr. Speaker, I do have some comments please. Thank you, Mr. Speaker. In opposition. You know, the Majority Leader was speaking on something and it made me rethink the bill, but then I went back to read it. Let me just go to my point. A lot of these types of things aren't intended. There are unintended consequences. And a lot of types of these things will go to, in my opinion, increasing the cost of housing. When you increase taxes, or increase costs for the seller, a lot of the times it will go towards the buyer. The cost of the purchase of the property.

"So when the Majority Leader was saying this was addressed in the bill, I went to look for it and I hope I'm reading it correctly. Section 1, where it says at the end in subsection (e), it says, 'This section will not apply to properties that qualify the seller for a county homeowners' exemption.' So what that means is if the seller is not a homeowner, it would apply. Correct? But what we're talking about is if you sell it to a buyer that qualifies for a homeowner's exemption. I think that was the intent. But if I'm mistaken, then I'm mistaken.

"But the other thing that I'm talking about is regarding increasing pricing. Take a look at this, and if I understand it correctly, we also have 6 to 12 months, you have a 30% capital gains taxed owed. And then it goes, before that it's 60 months. Sometimes, what happens in these types of situations, is they say, 'I'll wait'. That's a huge increase from 60 to 30. The unintended consequence, I think of that is that

you won't have that sooner on the market for someone to move into. And for someone, it happens a lot, then you would be looking at actually slowing down the process of getting available housing out to the residents of Hawaii. So I hope I'm reading that correctly and please correct me if I'm not. Thank you."

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

"Mr. Speaker, in support. Just very briefly, just to counter. I think maybe some of the people are missing the point. This was actually a tax assessed against the seller. Because what we're trying to prevent is people that are just 'flipping' houses and trying to make immediate money, fast cash, off of the real estate market. And really, it is a tax paid by the seller. For people to try and say that because they're going to be paying more taxes, the prices will increase, that's missing the whole point.

"When you sell a house, you look at comparable prices in the marketplace. The marketplace drives what is the price you're going to sell the house at. What happened recently was people started pouring in a lot of houses and 'flipping' them very, very fast at high, high prices. And buyers really had no choice because the inventory was low as other people have said. So you had to not only accept the demand as it was, but you even had to put in a 'plus' offer. So you not only accepted it at whatever the price was, but you actually put in a little bit more money. And that just continued to escalate the market prices.

"That is what we're trying to prevent. Because there are definitely people out there, strictly for investment purposes, that have been 'flipping' houses. And if, as we have in this exemption, you are a homeowner, you've qualified as a homeowner, then that will not apply to you. But if you are purely doing it for investment purposes to try and make fast cash in six months or less, which many, many people did. What they did was they bought houses, tore down the house, reconstructed, put in improvements and then sold it at about 100% profit. And that is the type of thing that we're trying to curtail. Because the longer we can keep people from putting the house on the market, the less likely it is that the prices will start escalating at an exponential rate that we cannot control.

"Really, really briefly, I just wanted to counter some of the criticisms as to our Land Use permitting process. I think we in Hawaii have to realize that land is a very, very finite resource. Yes, we have our State Land Use Commission to look at certain functions, like whether there's going to be proper infrastructure. And if the Representative from Ewa is saying that we need more houses and there's a lot of land out there, and they don't care if there's enough infrastructure out there, they don't care that we don't have sufficient roads. They don't care that we don't have sufficient educational facilities out there. Then let's build it out there. That's where a lot of the land is. But that's what the Land Use Commission does. They make sure that there's the right amount of infrastructure.

"The counties have a different function. They have to make sure that the land used for a subdivision is safe. There is proper drainage, there is going to be proper sewage. All of those things have to be taken into account. So they are totally different functions. Ultimately, we can look at a comprehensive approach to try and coalesce them all together, but as of yet we haven't done so. I think that's the approach we should be looking at, which I think is something that is entailed in a bill coming up, but that's for another discussion. Thank you."

Representative Finnegan rose to respond, stating:

"Thank you, Mr. Speaker. Still in opposition and just additional comments. If I was mistaken, I thought I heard the Majority Leader speak about it applying to the buyer, so I was just talking about that particular situation. However, I have been in mortgage financing in my past career before being in politics, and I've got to tell you,

investors when they come in, they're looking at the bottom line. What is the net amount that they are going to make?

"So some of these things come into play, but really the root problem is, like what the Representative from Ewa Beach was talking about. The root problem is the lack of housing. So if people can scoop up houses at a certain amount and because of the demand, and people want to buy houses to live in, and people are investing, and the want is there and people are still paying the money, the amount of the purchase of the property will go up because of that demand. So all I think she's saying is that there is a root problem in regards to the amount of available housing that's out there that drives the property from going up. Thank you very much."

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

"Tiny comments, Mr. Speaker. I think the root problem is that people from the mainland are scooping up property, and 'flipping' it, causing all of us to have an impossible market to buy property in. And that's why we have this bill."

Representative McKelvey rose in support of the measure and asked that the remarks of Representative Green be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1002, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAX," passed Third Reading by a vote of 39 ayes to 9 noes, with Representatives Brower, Ching, Finnegan, Marumoto, Meyer, Pine, Sonson, Souki and Ward voting no, and with Representatives Cabanilla, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 901) recommending that H.B. No. 1076, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1076, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising in opposition to this measure. The purpose of this bill is to establish the Affordable Housing Inventory Protection Board to gather information on the supply of and demand for affordable housing in Hawaii to better understand Hawaii's affordable housing crisis.

"And within the body of the bill, there's appropriated funding for years 2007-2008 and 2008-2009 to establish this Affordable Housing Inventory Protection Board. The amount of that, the dollars, is blank so I don't have the information as to what it started out at, but it could be a substantial amount in order to do that. And I'm voting no because we already have a Department, the HHFDC that is tasked to do this. And a 2006 study is currently being finalized. So this appears to be a duplication of efforts. Thank you, Mr. Speaker."

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

"Mr. Speaker, in support. This measure came out of a task force, an ad hoc committee that consists of various people, developers, people from non-profit type industry that thought that this type of advisory commission would be a very vital and good thing to add to increase our affordable housing stock. And so I believe it's worthy of further discussion and I think that we should move this bill forward. Thank you."

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

"Thank you, Mr. Speaker. In opposition with just a short comment. In recent years, the Legislature has recognized that to address the affordable housing crisis, meaningful systemic changes needed to occur at our State housing agency. And we need an effort to try to eliminate duplicative processes and expedite the time to review the State Rental Housing Trust Fund applications. The Legislature enacted Act 196 in 2005 and repealed the Rental Housing Trust Fund Advisory Commission. I think what we're trying to get at is just being able to streamline the process. And this looks like it will be going backwards and actually adding a layer."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1076, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING," passed Third Reading by a vote of 45 ayes to 3 noes, with Representatives Ching, Finnegan and Meyer voting no, and with Representatives Cabanilla, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 902) recommending that H.B. No. 1095, as amended in HD 1, pass 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. 1095, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Third Reading by a vote of 48 ayes, with Representatives Cabanilla, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 907) recommending that H.B. No. 1844, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1844, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising in support with some reservations. This bill calls for the State to purchase the land under an affordable housing project in Kaneohe, very close to my district, one that I'm very knowledgeable about. The Kulana Nani Housing. There are 160 units there and it's very conveniently located close to the heart of Kaneohe town.

"I just feel like this is a little premature. That's a concern. Also, I know that the price tag will be in the multi-millions of dollars. And I'm a little concerned because the bill is only addressing the purchase of the fee property under the building. I think this should be looked at more carefully and if the State's going to buy it, perhaps buy the whole thing, including the physical assets of the apartments, the parking lot, the entire improved facilities. Thank you, Mr. Speaker."

Representative Ito rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ito's written remarks are as follows:

"Mr. Speaker, I rise in support of Stand Com. Report No. 907, HB 1844 HD1."

"Mr. Speaker, I want to thank the Chairs of both the Committees on Housing and Finance for hearing this important measure. During the 2006 Legislative Session a similar measure was brought before this Chamber and adopted."

"Mr. Speaker, the purpose of this bill is to preserve the inventory of affordable rental housing on Oahu by:

- 1) Directing the Hawaii Housing Finance and Development Corporation to negotiate with Kamehameha Schools for State acquisition of the property underlying the Kulana Nani apartments in Kaneohe, Oahu;
- 2) Authorizing HHFDC, if necessary, to acquire the property through its power of eminent domain; and
- 3) Appropriating an unspecified sum for land acquisition.

"Mr. Speaker, the Kulana Nani Apartments is a City owned, HUD financed, privately operated low-income housing project on land owned by Kamehameha Schools. Presently the City and County of Honolulu has a long-term lease with Kamehameha Schools, which expires in 2048. The Kamehameha Schools has stated in the past that they desire to sell the land under the Kulana Nani Apartments. The City and County of Honolulu has also stated that they wanted to sell the Kulana Nani Apartments. These two statements have raised fears in the residents of Kulana Nani Apartments. Their fears are justified. When the City and County of Honolulu sells the Kulana Nani apartments and the HUD loan is paid off, the new owners will be free to do whatever needs to be done to make their investment profitable. It is a foregone conclusion that the residents of Kulana Nani Apartments will have to search for new low-income residences and many may become homeless.

"Mr. Speaker, in its final report, dated January 2006, the Joint Legislative Housing and Homeless Task Force expressed concern that the inventory of affordable housing rental units is at risk of being reduced. Affordable rental housing projects built in part with government subsidies have been offered for sale at market prices in anticipation of the expiration of income and regulatory restrictions encumbering the property. The problem of low-income families and the homeless to find affordable rental housing is not limited to only West Oahu; it is also a problem on the Windward coastline of Oahu, as well as a Statewide problem. The very active real estate market we have today has only added to the plight of low-income families and the homeless to find affordable rental housing. Here is an opportunity for the State to help remedy the shortage of low-income housing in Windward Oahu.

"Mr. Speaker, this bill directs the Hawaii Housing Finance and Development Administration to immediately initiate negotiations with Kamehameha Schools to ensure the State's acquisition of the Kulana Nani property. The bill further states that one hundred percent of the housing units on the property shall be retained in perpetuity as affordable housing for households at or below the income restrictions for rental housing units on the property as of the effective date of this Act.

"Mr. Speaker, for this purpose I urge my colleagues to support Standing Committee Report 907, HB 1844, HD 1. 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. 1844, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND ACQUISITION," passed Third Reading by a vote of 48 ayes, with Representatives Cabanilla, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 908) recommending that H.B. No. 435, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 435, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I rise in strong support of Stand. Com. Rep. No. 908, HB 35, HD 1. This issue of moped use is a serious one in the district that I live in. We have many reports of mopeds

that are retrofitted, basically at all hours of the night, going through roads and streets in my district. But what is most troubling to me is the many reports that these, maybe four or five mopeds that go in a gang that go at about 3:00 a.m. are related to the graffiti and drug use of my district. And the fact is that so many of the fatalities of mopeds are also related to retrofitting.

"There is not much right now, in this quality of life issue, that is being done to lessen the amount, or to try to discourage it even. I think it was reported in the newspaper, that a customer had gone to a store that sells mopeds and the actual store offered to retrofit the moped. Not to say that all stores are doing this, and not to say that all of the stores that are doing this whole thing, and are to be blamed, however this is a major problem. And every time my people hear this noise, and when I am reminded that it's related to people easily going and perhaps delivering drugs or doing graffiti at 3:00 a.m. in the morning and that there's absolutely nothing to take care of this issue.

"It is most troubling for my district and so we independently did put out a survey and we got back that many of our constituents want to see something done. So I applaud the introducer of this bill and I hope that it will pass."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 435, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOPEDES," passed Third Reading by a vote of 48 ayes, with Representatives Cabanilla, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 913) recommending that H.B. No. 1328, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1328, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Evans 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 Evans' written remarks are as follows:

"I support the deterrence of insurance fraud. However, I vote yes, with reservations, because HB No. 1328, H.D. 1, does not include appropriations or, at a minimum, language asking for a report to the Legislature on the increase of financial and personnel costs to the State's correctional facilities and the Judicial Branch.

"This law will have an impact. Regardless of the economy our laws guide judges in the sentencing of offenders. Getting tougher on crime has consequences on our budget, and I believe it is important that the public, the Legislative Branch, the Judicial Branch, and the Executive Branch get the fiscal implications of this law which amends the Penal Code."

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 2, entitled: "A BILL FOR AN ACT RELATING TO SENTENCING OF REPEAT OFFENDERS," passed Third Reading by a vote of 48 ayes, with Representatives Cabanilla, Takai and Thielen being excused.

At 12:18 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 777, HD 2	H.B. No. 1095, HD 1
H.B. No. 150, HD 2	H.B. No. 1844, HD 1
H.B. No. 1002, HD 2	H.B. No. 435, HD 1
H.B. No. 1076, HD 1	H.B. No. 1328, HD 2

The Chair then announced:

"Members of the House, we will take a 43 minute break and reconvene at 1:00 o'clock. Lunch is in the Majority Caucus room. So you've got 43 minutes for your lunch and we'll reconvene at 1:00 o'clock."

At 12:18 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 1:12 o'clock p.m. with Vice Speaker Karamatsu presiding.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 918) recommending that H.B. No. 1006, HD 1, as amended in HD 2, pass Third Reading.

Representative B. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1006, HD 2, pass Third Reading, seconded by Representative Caldwell.

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

"Mr. Speaker, I appreciate the effort that has gone into this measure, however I will be voting against it. I would ask permission to include remarks in the Journal," and the Chair "so ordered."

Representative Takamine's written remarks are as follows:

"Mr. Speaker, I rise to speak against H.B. 1006. While I appreciate the work that has gone into this measure, I cannot in good faith support it. First, Mr. Speaker, let me say that my district was one of the harder hit areas, by the October 15<sup>th</sup> Earthquake and its consequences.

"It helped me to realize how critical quick action becomes, when families are placed into jeopardy by a major disaster. It also showed me how fortunate we are to have the Civil Defense people, both at the county and State levels that we have now. In so many instances and at so many levels, I am very appreciative of the kind of response and support that was extended to many, many of my constituents.

"Second, the experience, along with previous situations where we have dealt with major disasters, have taught me that this is one area where quick action is probably even more important than a sustained effort (though both are important). Therefore, any structural change that would create additional bureaucratic concerns is probably not moving in the right direction.

"I also feel that the continuous self-evaluations of the procedures used, that the Civil Defense goes through, is a helpful means of attempting to plan better for the next emergency. Finally, I have seen tremendous response from an agency that over the years has probably not received the kinds of resources that would allow it to respond in an even more meaningful way. This is probably one area that we as a body, could help to address.

"With these concerns Mr. Speaker, I will be voting against the measure."

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

"Thank you, Mr. Speaker. I'm rising in support with some serious reservations. This bill will establish the Office of the Director of Disaster Preparedness Commission and it also appropriates funds to fund the Community Emergency Response Teams on Oahu, Hawaii, Kauai and Maui. We have a pretty good system through the Department of Defense and the Civil Defense.

"Even though there's many good intentions that make up the system, this bill will create a huge problem in regards to overlapping duplication and conflict with the present system. The present Civil Defense system is a product of over 50 years of experience and it works and I'm just concerned with all the time, energy and expense that will go into this. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. In support. I'd like to include some written comments and I have a couple of things to say. Our disaster preparedness plan for the State is a complete disaster. We created the Civil Defense in 1950 and its charge then was to protect us against enemy attack. If you go back and read the statutes, very little is ever said about preparing us for events and that is our huge weakness. The mindset of Civil Defense is to prepare us to respond to events, not to prepare us to mitigate loss from events. And that is the big difference. And it troubles me when somebody says that everything's okay.

"October 15th showed us it's not. After the earthquake in the South Pacific, we sent school kids home without their parents' notification. We had absolutely no idea what we were doing. I've had EMS people come and see me in support of the bill to say they are completely unprepared. They didn't have a clue what they should do on October 15th. And they are the first responders.

"People have asked me what all this will cost. What did Ka Loko Dam cost us? What did the flood in Manoa cost us? What did the flooding in Windward Oahu cost us? What did the floods in South Kona cost us? What did the fiasco at the Honolulu and Kona airports cost us?

"To give you an example of the difference between being prepared to respond and being prepared: Ka Loko Dam. Being prepared to respond is to go out and find the bodies. Being prepared means that we would investigate the structural integrity of that dam to make sure that it didn't break and that we would adopt land use policies that would keep people from being living at risk downstream of that flood. There are people living on Hamakua Coast, and one person walked away from a \$900,000 home.

"We need to do several things, whether it's through a Disaster Preparedness Commission or some other form, that is not the issue. The issue, to me, is that there are several things that we have to do. The first thing that we have to do is to identify impact zones for all natural disasters. Again, we are the only State in the nation that has every single one, and I have them all in my district. We have impact zones for tsunamis. We have them for lava. Even the impact zones for tsunamis are somewhat questionable with the rising sea levels. We don't have them for hurricanes. We don't have adequate flood zones. All these things are issues that need to be addressed.

"And then we have to get into land use policies, policies to mitigate loss from these impacts. And everyone should know where they live, what possible natural disaster might impact where they live. In my view, we cannot wait any longer to address these very important concerns for the safety of the people of the State, and I urge your support. Thank you."

Representative Herkes' written remarks are as follows:

"Mr. Speaker and Members, I rise in support.

"Members, there was opposition to this bill from Civil defense, DAGS and the Mayor of Hawaii County and I would like to address some of those concerns.

"First, we are the only state in the nation that has every natural disaster, although Alaska may have some glacier issues that we do not have. The Big Island has 7 of the 9 climatic conditions that exist

on the globe. As a remote island state we are very vulnerable and exposed.

"Climatic conditions in the world have changed and the impacts on Hawaii should concern us all. There is strong evidence of global warming. In Hawaii this means rising sea levels and more energy in the ocean that surrounds us to fuel hurricanes. As our population base expands we are putting people in areas of the state that may make them vulnerable. I heard a report yesterday that some islands in Pohnpei have disappeared due to rising sea levels.

"We have researched our statues. In 1950 we created the department of Civil Defense. Under statue they are to protect us and to respond to enemy attacks. There is little said about disasters, both natural and man-made, and most of what is said talks about "response".

"Most of what I have heard on this issue, both in testimony and in private discussions has dealt with "response".

HB 1006 HD 2 deals with "Disaster Preparedness". In preparing this state, its residents, visitors and belongings for both natural and man-made disasters.

This bill creates a "Disaster Preparedness Commission" of seven members appointed by the Speaker, Senate President, Governor and the 4 county Mayors. It also calls for the Governor to appoint an "Executive Director" subject to Senate conformation.

"The Commission and its Director shall:

1. Work with the Office of State Planning to develop accurate flood zone maps for this State.
2. Define natural hazard impact zones for the State. It makes little sense to harden buildings for natural disasters unless you have some accurate information about what natural disaster you are dealing with. The Governor's bill to provide for "safe rooms" ignores this basic fact.
3. Land use policies need to deal with hazard zones. Let us not put people down stream from major dams and reservoirs and along the cliffs of Hamakua.
4. Make "appropriate recommendations" concerning building codes.
5. Work with the appropriate agencies and parties to ensure emergency power for major State airports. What happened on October 15 cannot be repeated. Just appropriating money for generators shows lack of research. What other alternatives are there? Can the Honolulu airport link to Hickam or a sub in Pearl Harbor?
6. Recommend tax credits for retrofit of structures.
7. We are short 150 sirens. Civil defense argues that it takes years to obtain the necessary approvals. This is a basic health and safety issue. We need an emergency plan to put sirens and other warning devices in high-risk areas on a priority basis. And, sirens that have an independent power supply.
8. Work with appropriate agencies and organizations to expand radio, video and other means of communications to areas of the State not served by these mediums.
9. Ensure the integrity of our dams and reservoirs.
10. Develop disaster plans for patients in hospitals, care homes, etc. The most vulnerable among us.
11. Protect our ports of entry from emergency access by foreign flag ships or aircraft.

12. Develop a plan to deal with the social problems that emanate from disasters.

13. Develop alternative transportation routes in the event that major roads are inaccessible.

14. And work at any other issue that may threaten Hawaii's residents, visitors their possessions and pets.

"I have been asked what this is going to cost us? What did the Ka Loko dam break cost us? What did the flooding in Manoa, windward Oahu, South Kona and Kau cost us? What did October 15 cost us?"

"Civil defense has an emergency appropriation bill in for our consideration in the amount of \$24.9 million for their activities on October 15. How much would we have saved if we had prepared for the events listed above? I think it would have been significant. We cannot afford not to be prepared.

"Members, I have had a number of people call me or come in to see me in support of this plan, but are reluctant to testify because of their positions.

"Most troubling to me was a visit from two medics from Oahu EMS that said that they are totally unprepared. They also said that they do not have sufficient operating funds. Some ambulances have over 200,000 miles. These are the first responders, and they are not prepared.

"The major criticism of this bill is that it is a duplication of efforts. How can you be duplicating something that is not being done? I have read the Hawaii County disaster preparedness plan. It only deals with hurricanes and the Big Island has not had one for over 100 years. No mention of floods, lava inundation, tsunamis or earthquakes.

"This Commission is charged with working with various groups including State Civil Defense. Civil Defense's mindset is to prepare for response. We need change in mindset from preparing to respond to preparing before the event strikes our shores.

"There is a simple difference between "response" and "preparedness". Let's use the Ka Loko dam as an example. "Response" is picking up the bodies. "Preparedness" is dealing with the structural integrity of the dam and changing land use laws to prevent homes being built down stream of the dam. If we take this approach there are no bodies to pick up.

"Members, we cannot afford to wait. Our citizens deserve no less than for this State to be prepared. Please support this bill."

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

"Mr. Speaker, I stand in support with some brief comments. Mr. Speaker, as an CERT volunteer, I think it's very important that this measure continues to move along. We need these programs. This program is supported by FEMA and has the support of and was encouraged by our current President. The CERT program, Community Emergency Response Teams are there to assist first responders, to train professionals and everyday people on how to coordinate and help respond and be responsible community citizens, Mr. Speaker. So we need this more active involvement and I urge all our Members who support our communities to vote in support. Thank you."

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

"I rise in strong support, as well. May I have the comments of the Representative from South Kona entered into the Journal as if they were my own? And just a couple of brief comments. You know,



much of what the Representative from Kona said, all the things that we need to do, is simply just beyond the purview of Civil Defense. If you look back at their Charter, it's to be responders. To concentrate on response. How do we get emergency workers and supplies to these areas. To address this big myriad of issues go far beyond response. It's simply putting too much on this agency.

"I'd like to bring up the point of wildfires, which my district is impacted by yet again. We've have had little county helicopters dropping the equivalent of somebody spitting on a camp fire to control this fire. Meanwhile, there are Chinook helicopters supposedly in Honolulu that could dump 25 times more water on the fire sitting there. This is where we need preparedness. Where's the plan? Had the fire been attacked with the big Chinook helicopters at the very beginning, we would not have had local people pulled by helicopters from the burning homes. We wouldn't have had thousands of acres destroyed.

"I ask the Members to look at the consequences beyond the disaster. This failure to prepare has now left denuded hills of West Maui, and with the first rain we have, we're going to have tons of precious topsoil in the ocean destroying our reefs and basically eliminating any agricultural use of these lands.

"So, I just hope the Members of this body can look at the fact that this isn't an attack on Civil Defense. It's not a judgment upon their mission. It's simply a recognition of the fact that the task of disaster preparedness is a multifaceted one that expands beyond all different forms of government and that it is something that we, as a body, need to finally address in this proactive way. Thank you."

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

"Thank you, Mr. Speaker. I just rise with very slight reservations. I'm all for this bill and I've recognized the hard work of the introducer of this bill from the Big Island. You have been very consistent in regards to disaster preparedness. I just wanted to say that if there's one thing that has been positive, if there is a positive from the recent disasters, floods and earthquakes, is that it has been brought to the attention, not only of the Legislature, but of the public.

"So now, from my understanding, Civil Defense has been working on these types of issues for a long time, and when the public's temperature is right, and when the Legislature's temperature is right, then we can start to move on some of these very important issues, and that's what we're seeing this Legislative Session where a lot of money and time and effort is going into this disaster preparedness.

"So, I'd just like to say that I think that this is a good idea. The one thing that we just have to make sure that we address is how do we help with the overlapping and duplication or conflicts that might present itself in the system as it is, and maybe try to iron out some of those things. 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. 1006, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DISASTER PREPAREDNESS," passed Third Reading by a vote of 47 ayes to 2 noes, with Representatives Hanohano and Takamine voting no, and with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 925) recommending that H.B. No. 853, HD 1, as amended in HD 2, pass Third Reading.

Representative B. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 853, HD 2, pass Third Reading, seconded by Representative Caldwell.

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

"Thank you, Mr. Speaker. I'm rising in opposition to H.B. 853 Relating to Public Work Projects, hours and wages violations. Under the current law, contractors have violations imposed according to the investigation. This means that if the Department investigates the complaint of a laborer who worked on three different projects for the same contractor, and the Department found multiple offenses, who would be issued the first notice of violation? It might have been a multiple offense with the same contractor, but it would be one violation.

"But under this bill, it would require that a single violation count as a separate violation for each project when the DLIR finds a contractor has failed to comply with any part of Chapter 104. This measure will restore a perceived disadvantage to law-abiding contractors by imposing a penalty structure that suspends a contractor from bidding on State jobs for three years for just one investigation. This will limit the pool of contractors and drive up bid prices for State projects.

"The intent of the current law is to only bar from State contracting those 'bad apples' who repeatedly over time, keep violating Chapter 104. Basically, people who make an honest mistake currently have a chance to correct their error. This bill would take away this forgiveness and hammer half those contractors without any warning. For those reasons, I am in opposition."

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

"Mr. Speaker. In strong support. We've heard a lot this Session about making housing more affordable and trying to help people live in our State. This bill is all about ensuring that the hard-working men and women in our State are paid a prevailing wage. Last Session we argued a lot on 'three strikes'. I consider this a 'three strikes' bill. It does this against white collar violators of law.

"What we're talking about here are contractors who have multiple violations and yet are only penalized as if they had one violation. This encourages the repeat violator to continue to violate because the penalty remains the same. We have prevailing wage laws to enforce and make sure that our hard-working men and women are paid a prevailing wage so that they can afford to live in our State, and we should do all we can to make sure those laws are followed. For the most part, Mr. Speaker, almost every contractor follows a prevailing wage. There's a few bad actors that take advantage of multiple violations in order to cut cost and underbid those when they bid on a project, know they are going to be paying a prevailing wage.

"That's what this is all about. It's about enforcing the law, about cracking down on those who don't pay a prevailing wage, and not encouraging people who want to go ahead and violate again, and again, and again. It's kind of like those people who we see with a parking ticket on their car. Once they get the ticket, they say, 'Let's leave the car there because we're not going to get another ticket for a while,' and deny other people the use of that space. Only this is far worse because denying people the right to make a living and they have to live in the State. Thank you very much. It's a good bill Mr. Speaker and I hope Members will vote to support it."

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

"Thank you, Mr. Speaker. I am in opposition to this measure and it's not because I feel that we should not get paid prevailing wage. Most contractors are paying prevailing wage because of the shortage of workers and everybody is willing to pay top dollar to get the best workers. This has to do more with violations and if there's one violation, I think all the contractors on other projects he's working on also are cited. So it's almost unfair that if there's a violation on one site, that it's assessed on all sites. It really raises the cost of that project.

"Actually, we pursue special purpose revenue bonds to save money because the financing is a little bit cheaper. All it really does, what we're really doing is conferring the status of the special purpose revenue bond on this type of financing so that the buyers of these bonds somewhere may be back in New York, acquire lower interest rates because it is tax free. It has lower financing cost to the developer here. It may be a school like Sacred Hearts or Kawaiahao Church, and we definitely need these types of bonds because it saves us money.

"We are conferring the status of public works in this measure and the following measures, Stand. Com. Rep. Nos. 925, 926 and 927, and in doing so, I really question whether we're doing the right thing because I don't think these private projects should be classified public projects.

"In my mind, if we take this step, I'm wondering whether, since it's a public project, do these developments have to go through the EIS process. Do they have to go through a procurement process? Will they have to name the State as an additional insurer? I don't know what other laws they would come under as public projects. We better be careful of what we are wishing for, and I think that if it truly becomes a public project, we certainly should exempt them from some of these other onerous laws that would raise the cost of the development of housing and various projects that we would like to undertake. Thank you very much."

Representative Meyer rose, stating:

"Thank you, Mr. Speaker. I'm a little confused. I think the previous speaker from Waiālae was maybe speaking on Stand. Com. Report 926. I wanted to respond to the Majority Leader on Stand. Com. Rep. No. 925, and that's with the hours and wages violations.

"I had the pleasure of serving on the Labor Committee with the Majority Leader and am somewhat familiar with this, but I don't think that we have rampant problems in this area, and that's why I think this bill is going too far.

"The Department of Labor implemented a random review program for Chapter 104 that went from January 1, 2005 until the end of 2006. They had made 228 investigations of randomly selected contractors working on public works projects, in addition to completing 46 complaint-generated investigations. The amount found during this two year period was 228 random investigations which got \$7,600 back to 20 employees, while the complaint investigations generated \$286,000 for 148 employees. Clearly, the bulk of contractors are in compliance with the law. For the same period, there were 18 with one notice of violation issued and employees were promptly paid. I think that this bill is too much and too onerous. Thank you."

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

"In support, Mr. Speaker. This has nothing to do with law abiding contractors. This is actually a bill to catch those who are really cheating the system. This bill addresses the manner in which the violation of prevailing law are counted. Currently an employer may be in violation for prevailing wages by underpaying employees simultaneously at several different sites. Consequently, the number of workers adversely impacted by the same contractor may be high. The bill attempts to limit the scope of prevailing wage violations by holding employers responsible for violations at each project.

"H.B. 853 amends HRS 104-24 by changing subsection (d) to read as follows: 'A first, second or third violation refers to each project in which the department finds that a contractor has failed to comply with this chapter.'

"The current law is too broad and permissive in that it counts violations as each investigation, thus an employer could potentially be in violation by underpaying multiple workers at multiple sites.

Now this bill, H.B. 853, strikes the reference to the investigation and requires a violation to refer to each project where the employer is engaged in a public contract.

"So, H.B. 853 now serves as an incentive for employers to comply with the prevailing wage law because this law will subject employers to penalties for each project. Whereas under the existing law, an employer is only penalized for one violation despite potentially being in violation at many different projects. The adverse effect on workers is minimized by this measure because the manner of calculating what a violation is has been narrowed and protecting a greater number of workers. Thank you, very much."

Representative Finnegan 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."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 853, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC WORK PROJECTS," passed Third Reading by a vote of 47 ayes to 2 noes, with Representatives Marumoto and Meyer voting no, and with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 926) recommending that H.B. No. 861, as amended in HD 1, pass Third Reading.

Representative B. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 861, HD 1, pass Third Reading, seconded by Representative Caldwell.

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

"I'm rising in opposition to this measure. This bill will expand the application of the prevailing wage to workers at private construction sites funded by special purpose revenue bonds, as the next bill does, too. It's just an effort to take jobs that we never considered public jobs performed by the State and the counties, but built by private parties. The net effect is that fewer companies will apply for SPRBs because of this new law and the cost of these projects will increase.

"It's just kind of scary to think that we talk about a level playing field, and yet right now, labor shops get most of the work for public works. And now by extending public works to things that were never public works projects before. We're raising the cost of those things and making it so that fewer people can take on those constructions jobs and at a time when construction is doing very well and they have a shortage of construction workers, we are sort of lumping everybody under one umbrella and giving the citizens of the State of Hawaii almost no opportunity for competitive bids. 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. 861, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC WORKS," passed Third Reading by a vote of 46 ayes to 3 noes, with Representatives Ching, Marumoto and Meyer voting no, and with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 927) recommending that H.B. No. 863, as amended in HD 1, pass Third Reading.

On motion by Representative B. Oshiro, seconded by Representative Caldwell and carried, the report of the Committee was adopted and H.B. No. 863, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC WORK PROJECTS," passed Third Reading by a vote of 46 ayes to 3 noes, with Representatives Ching,

Marumoto and Meyer voting no, and with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 933) recommending that H.B. No. 1440, HD 2, as amended in HD 3, pass Third Reading.

On motion by Representative B. Oshiro, seconded by Representative Caldwell and carried, the report of the Committee was adopted and H.B. No. 1440, HD 3, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 934) recommending that H.B. No. 750, as amended in HD 1, pass Third Reading.

Representative B. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 750, HD 1, pass Third Reading, seconded by Representative Caldwell.

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

"Mr. Speaker, I rise with great reservations on this bill. Mr. Speaker, in American culture, one of the taboos is to ask somebody point blank, 'How much money do you make?' And what we've got in this bill is the same question, vis-à-vis, the tax return that will be allowed to be seen by the Ombudsman.

"Those of you who know the Ombudsman, realize that half of his cliental, more than half of his cliental are the prisoners. They are the ones who want to get justice and use his Office quite frequently. This bill raises some serious privacy concerns and usually when this Floor debates a bill, it has a logic to it or a need. When in the Finance Committee, I questioned and asked the Ombudsman how many people actually need, or do you need to have access to the tax returns. And he hesitated and said, 'Well, there's probably a dozen or more', but it wasn't very many. And it's not only him, but also all of his employees are in this building. They are going to have access to all this confidential information.

"So, I'm really wondering why that is needed and why we should have a few people with access to something that is very, very, very confidential in our society. The Department of Taxation agrees that it's not needed. In fact, he does and can get access to tax returns now, vis-à-vis a nexus, with the Department of Taxation directly. It seems to be working in Hawaii for such a small number of people that we have to create this potential, I don't want to say 'tempting' people to do bad. But it's a temptation to not do good if we give people, and particularly all the people in his Office, access to tax returns. I don't think it's good public policy and that's where my grave reservations lie. Thank you."

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. 750, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF THE OMBUDSMAN," passed Third Reading by a vote of 45 ayes to 4 noes, with Representatives Awana, Marumoto, Meyer and Pine voting no, and with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 935) recommending that H.B. No. 155, as amended in HD 1, pass Third Reading.

On motion by Representative B. Oshiro, seconded by Representative Caldwell and carried, the report of the Committee was adopted and H.B. No. 155, HD 1, entitled: "A BILL FOR AN

ACT RELATING TO THE DEPARTMENT OF TRANSPORTATION," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 937) recommending that H.B. No. 351, HD 1, as amended in HD 2, pass Third Reading.

Representative B. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 351, HD 2, pass Third Reading, seconded by Representative Caldwell.

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

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

"Thank you, Mr. Speaker. I just have reservations with short comments on Stand. Com. Rep. No. 937. I think it's time that we take a really good look at this bill in regards to the red-light cameras. The thing is just the fairness in this bill. We are talking about rental companies and giving them an exemption. I guess, it's not an exemption. We've giving them a lesser amount to pay, which is like \$15 for a car that is owned by them, that is fined under the program, and the company is unable to provide the name and address of the customer who is responsible for the violations.

"I'm sure like any other registered car owner, what you're doing is if there is a picture that is being taken of someone driving your car through a red light then it becomes the responsibility of the registered owner. I haven't had the time to take a look if this actually will go to if there's a stolen car, or you know, those types of things or other situations that might be similar to that. A teenager might have used your car. Someone driving to pick up something, or those types of things. So, that's my reservations, although I do support the bill."

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

"Mr. Speaker, I would like to register a vote with strong reservations on 937, H.B. 351. It's one of those things that sort of strikes at you when you see it. If you look at it, the language says that it prohibits the summons from being issued without a clear picture of the driver. So if you can picture yourself being almost all the way across the intersection and you hide because the camera is going to get you.

"There's going to be a lot of people who are going to block the camera and probably hit the person in front of him. That sort of struck me now as I was crossing Vineyard coming to the Capitol. I actually experimented and it's quite dangerous. So, that's my reservation."

Representative Awana 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. 351, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

At 1:43 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1006, HD 2	H.B. No. 1440, HD 3
H.B. No. 853, HD 2	H.B. No. 750, HD 1
H.B. No. 861, HD 1	H.B. No. 155, HD 1
H.B. No. 863, HD 1	H.B. No. 351, HD 2

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 938) recommending that H.B. No. 357, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 357, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Lee rose in support of the measure 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 am in support of this measure. Mr. Speaker, Hawaii ranks eleventh nationally in pedestrian deaths, and first in deaths among pedestrians age sixty-five or older in 2006. Although there have been programs implemented such as DOT's "walk wise Hawaii" and the intensification of the right-of-way law, numbers prove the continual need to establish innovative methods to decrease our pedestrian death rate. This bill establishes a two-year pilot project to test crosswalk safety improvements. The project shall test enhancements such as raised bumps to reduce speed, flashing lights embedded in the pavement to warn drivers of pedestrians, and enforcement programs by police, prosecutors, and others.

"The amount of federal highway funds used for pedestrian safety programs amount to a diminutive one per cent or less. Most of the funds are spent on widening roads and boosting traffic flow. Mr. Speaker, the time to start paying more attention to pedestrians who walk the streets rather than the infrastructure itself is long overdue. And don't think this is limited to senior citizens. Some of the most dangerous and congested situations exist around our schools. Evaluating such solutions as "the walking school bus" will help as well. I urge my colleagues to support this measure. 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. 357, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC SAFETY," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 939) recommending that H.B. No. 497, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 497, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I rise with reservations on H.B. 497, H.D. 2. Mr. Speaker, this bill earmarks 2% of federally eligible money from the State Highways Fund for bikeways, bike paths and bike lanes, and specifies the elements of their development and maintenance. While I support the intent of this bill to enhance the bicycle facilities in the State, I have reservations because this measure will divert funds from the State Highway Fund.

"As we know, it is critical that our State Highway Fund remain intact in order to continue building roads that are critical to our infrastructure needs, particularly in growing communities, such as in the Second City. Moreover, Mr. Speaker, to divert State Highway Funds to benefit the bicycling community is nonsensical, as bicyclists do not pay any money to the State for the privilege of biking.

"Before the Finance Committee, the Hawaii Bicycling League was asked whether they pay any fees to the State for biking. It was revealed that the cyclists pay registration fees to the county and not to the State. As such, there is no nexus in which to divert funds from

the State Highway Fund, specifically for bike paths and lanes. As I support the intent of this measure, however, I stand with reservations. Thank you, Mr. Speaker."

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

"Mr. Speaker, in support with reservations. May I ask that the comments of the Representative from Kapolei be entered in the Journals as if they were my own, and add to the words, 'Second City' the words, 'and West Maui', be placed in my remarks.

"I appreciate the intent of the Representative who introduced this bill because, you know, bikeways are important. But just to add a short comment to that, this would actually hurt the bicycle community. Right now, the federal DOT moneys that are given to the State can be used for a myriad of bike related things, such as bike paths, bike lanes, shelters and additional related biking facilities.

"Under this bill, however, the State DOT will be 'hamstrung' putting money only into bike lanes and bike paths. So, the irony is this could hurt the biking community. So, in addition to the comments of the previous speaker, I would hope the Members of this body could also look on the fact that this may have, one of these bills of unintended consequences. Thank you,"

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

"I rise in strong support. Just to clarify that the funds that are in the general fund comes from our income taxes, so, everybody pays for transportation improvements. A transportation plan that only pays for cars and roads, is not a true transportation plan. It's exactly the reason why 10 people are dead so far this year. The most safe type of walking and biking is separate from the roads. It is not with the roads. And this is trying to address a need that has been unaddressed by the Department of Transportation.

"Basically, the Department of Transportation supported this bill. They weren't against it. So, I don't understand why anyone is against this. We are asking just for parity. All transportation forms need to be funded actually equally, if we're actually going to have any kind of a transportation form that includes walking, biking, automobiles and transit. Unfortunately, we have gotten way overboard towards the automobile. It says, 'federally eligible funds'. So this isn't going to take away anything.

"And it might also remind folks, at least on Maui, we have one bike path, one single bike path, since the ten years that ISTEPA was first passed, that actually mandated that funds go to walking and biking facilities, so I don't see how it could hurt. We haven't gotten anything, let alone bike stands or anything else. So what we really do need is some kind of commitment that some moneys are going to be expended. This is such a *manini*, small, itty-bitty, teeny, tiny step. So, I really encourage the Members to support this and let's see where it goes from here."

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

"Thank you, Mr. Speaker. I'd like to be in support with slight reservations. I actually agree with a lot of what the previous speaker just said, the speaker from Maui – Makena, Wailea, Kihei. But I do agree that we need to make a statement about bikeways. I'm a 'wannabe' biker for many years now. I bought myself a bike and to tell you the truth, I don't trust drivers or myself out there on the roadways because it's a spooky thing trying to ride your bike from my home in Aiea to the Capitol. I attempted to do that a couple of times. The one thing, though is, and it becomes very difficult to do that when cars aren't really taking you seriously as a mode of transportation, and it can be very dangerous.

"I think the other thing, though, with this particular bill, is for people like me that really want to start biking, there are really no areas to get better at biking. I can't just go and take it to the road because I'm too slow. And I would also say that I heard many comments on the radio that there's a need for another form of getting from the West side all the way into Pearl Harbor where there's a lot of military work. They are used to physical exercise, and they want to see a bike path that would help them get from the West side through to Pearl Harbor or into town. But there is no avenue for them to do it safely riding their bike. So, I do support this. One small reservation that I have is that I just don't like bills that say that you have to spend a certain amount. We should give the DOT some flexibility."

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

"Thank you, Mr. Speaker. In support of Stand. Com. Rep. Nos. 939 and 938 and I'd like to insert written comments for both. If I could just say that one thing that bicycles do is prevent more cars from being on the road and for that reason they provide a service to all of us."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I am in support of this measure.

"Mr. Speaker, bicycles are not only for recreation and exercise, but have become for many the mode of transportation to and from work. With the growing number of vehicles on our roads and the increase in the obesity of our citizens, we should encourage the use of healthy alternatives.

"This bill, Mr. Speaker, earmarks 2% of federally eligible moneys from the State Highway Fund for bikeways, directs the Department of Transportation to have a public involvement process and allows for the maintenance of the bikeways. Again, this is 2% of the federally eligible moneys, not 2% of all federal moneys.

"This is a good bill and I encourage my colleagues to vote in support of this measure. Thank you."

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

"Mr. Speaker, I rise in strong support of this measure, and I would like to discuss the Leeward Bikeway Plan. The Leeward Bikeway Plan has been on the Oahu Metropolitan Planning Organization for funding for the last ten years. However, for the reasons that were stated by my colleague from Kapolei, it hasn't been funded. The Leeward Bikeway Plan, Phase 2, is supposed to start from Pearl City all the way to Kaena Point in Waianae. However, like I said, in the last ten years, the funding has been bypassed all this time. It's been said that the State cannot afford to give us a reversible freeway, bridge or underwater tunnel to go to the Leeward side. So, could we please have a bikeway instead? Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. With reservations, but I truly do support the intent of this measure. Traffic congestion, as you know, has been a real problem in our State, and improving our bikeway system will entice more people to use bikes. It also has a number of benefits. First of all, it will keep our community members physically active. And you don't have to be 18 with a driver's license to use a bikeway. In addition, it's pollution free, environmentally safe, and it may also reduce traffic congestion.

"I do have a concern regarding federal funds. This measure will earmark two percent of the eligible federal money for bikeways and that may be taking away from highways, but I do support the intent. 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. 497, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," passed Third Reading by a vote of 47 ayes to 2 noes, with Representatives McKelvey and Nakasone voting no, and with Representatives Takai and Thielen being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 942) recommending that H.B. No. 936, HD 1, as amended in HD 2, pass 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. 936, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GIFT CERTIFICATES," passed Third Reading by a vote of 47 ayes to 2 noes, with Representatives Bertram and Marumoto voting no, and with Representatives Takai and Thielen being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 943) recommending that H.B. No. 1646, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1646, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"I rise in opposition to this measure and want to say a few remarks on behalf of small business. This bill requires the small businesses, the 'mom and pop-ers' to become sign makers instead of business people. What it does is if you sell pesticides, you've got to put up a huge sign to make people aware of it, which in itself is good. But if we're going to do this, we should be fair. Those people who sell cigarettes, also the 'mom and pop-ers', don't have to put big signs, 'Smoke this and you'll die'. But if you look at the label, it says, 'Smoke it and you'll likely will get lung cancer and you could die.' If we're going to do this, we should be fair.

"I think the pesticide labels that Chevron and Ortho and all the others have put together are sufficient to warn the customer. But take the small business guy, which you know, Mr. Speaker, is part of the Small Business Caucus, this is going to be a burden on them and I think we need to stand up for them. Thank you."

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

"Mr. Speaker, in strong support. This is all about public safety and protecting the consumer. In the past year, we've heard of different news stories where people have not known how to handle and store certain pesticides, malathion being one, in which they've had to evacuate two elementary schools, and in one case had to hose down the kids in a special hazard kind of situation and watch the children for a couple of hours. This is the kind of thing we're trying to avoid.

"It's not a joking matter, and it's not an anti-business matter. In fact, what we're talking about are small index cards that are prepared by the Department of Ag that stores would post telling people how to handle and store and protect themselves, their neighbors, and school children and others from being damaged or hurt by the mishandling of these pesticides. It's any easy thing to do and the Department of Agriculture is on board. They are willing go work with businesses in getting these cards out.

"It's not a huge sign that's going to block the selling of the products. It's a small sign the size of an index card with some very

simple warnings on it. That's what this is about. I hope you will support it. Thank you very much."

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

"Thank you, Mr. Speaker. In support of the measure. We have to remember that a lot of times when people store pesticides, the labels may become unreadable and people want to find out how to use it or properly dispose of it. They need that information, so the point-of-sale is a good place to provide that information, whether it's a website or a phone number that people can contact, the consumer can contact. So, this seems an appropriate way of getting information out. Thank you."

Representative Ward rose to respond, stating:

"Mr. Speaker, I think the previous remarks are well taken, except my point was, let's be fair. If we put a sign on every dangerous food, chemical, inhalant, we would turn our small businesses into museums. It would be like political conventions that we're all familiar with. I think there has to be some limitations. If we start with this one, maybe the slope is going to be, well, what's next? It may be paint. It could be who knows what. The point is there are labels that are stuck on rather well, and if you're in a school and you happen to have your label gone bad, the likelihood of you having this three by five card that you bought months, perhaps, years ago. There's a least the probability that that is going to be practical. So, my point is, let's be just, and let's be practical. Thank you. I stand in opposition."

Representative Finnegan 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 Finnegan's written remarks are as follows:

"Mr. Speaker, in support with reservations. This bill requires retailers of pesticides to post signs informing consumers of the proper handling, storage, and disposal of pesticides and information regarding poisoning from the pesticides. The advocates for this bill state that it won't be that big of a deal for retailers to post the index card sized signs. My reservation is that if we truly feel it is a danger, we shouldn't be posting a small card that will be ignored by consumers."

Representative Ching 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 Ching's written remarks are as follows:

"I rise with reservations in support of H.B. 1646--Relating to Pesticides, which requires that retailers of pesticides provide information through posted signs on the proper handling, storage and disposal of all pesticides for sale, and authorizes the Department of Agriculture to develop rules related to the size and placement of the signs.

"I support the intent of this bill. As stated by Sandra Lee Kunimoto, Chairperson on the Board of Agriculture, household pesticides are responsible for most of the pesticides poisonings in and around the home and are also responsible for many hazardous situations in the community. By providing more information at the point of sale, some of these incidents may be prevented. However, the labeling, sale and use of pesticides is highly regulated by the Environmental Protection Agency. Before a warning label is approved, EPA reviews and approves the label language in order to inform the purchaser as to the product's safe and allowable use. This bill proposes a method of warning that may conflict with that label and prove confusing to the purchaser."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1646, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PESTICIDES," passed Third Reading by a vote of 44 ayes to 5 noes, with Representatives Awana, Marumoto, Meyer, Pine and Ward voting no, and with Representatives Takai and Thielen being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 965) recommending that H.B. No. 1577, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1577, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising now in support because I have some friends in Kona and they are coffee growers, but I feel conflicted because in looking at what the opponents of this bill have to say, I'm concerned. Agriculture in Hawaii has suffered from pests and disease infestation causing enormous losses. Biotechnology is a tool to combat crop threatened insects and diseases. The University of Hawaii scientists say that restrictions put on this research will put the crop at risk. It takes quite a while to come up with something and this bill puts a moratorium on doing anything in the way of tests on coffee for five years. I just hope no horrible new pest or invasive species comes on the scene within that time. Thank you."

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

"Thank you, Mr. Speaker. I stand in strong support. Mr. Speaker, the purpose of this bill is to maintain the unique brand identity and market value of Kona coffee. By prohibiting the introduction of genetically modified coffee in Hawaii in the market, while at the same time permitting research on genetically modified coffee in an environmentally secured facility. So, therefore, Mr. Speaker, I stand in strong support of this measure. Thank you."

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. 1577, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GENETICALLY MODIFIED COFFEE," passed Third Reading by a vote of 45 ayes to 4 noes, with Representatives Marumoto, Sagum, Sonson and Tokioka voting no, and with Representatives Takai and Thielen being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 966) recommending that H.B. No. 1479, HD 1, as amended in HD 2, pass 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. 1479, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE SUPPORT FOR SMALL BUSINESSES," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

At 2:02 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 357, HD 2	H.B. No. 1646, HD 2
H.B. No. 497, HD 2	H.B. No. 1577, HD 1
H.B. No. 936, HD 2	H.B. No. 1479, HD 2

Representative Ito, for the Committee on Water, Land, Ocean Resources & Hawaii Affairs presented a report (Stand. Com. Rep. No. 970) recommending that H.B. No. 1950, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1950, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. In support with reservations and short comments. This bill amends Chapter 201H. The housing development provides provisions to allow county councils to approve certain expedited government housing projects with modifications, and to extend the county and Land Use Commission approval or disapproval window for these projects. I know that we are looking at ways to streamline, and in the previous versions it was talking about going from 45 to 90 days. I realize that there are some struggles for some counties. But in regards to making that process longer, I thought we were trying to move towards streamlining, so being that those amounts are blank, I'll just be with reservations for now."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1950, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Third Reading by a vote of 48 ayes to 1 no, with Representative Cabanilla voting no, and Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 972) recommending that H.B. No. 31, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 31, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I rise in opposition to this measure. This bill is about international trade, something that Hawaii needs very, very, very, very badly. It's something that it seems as though our intent is to trip it up by this particular bill because we want to throw it down and we want to put ourselves front and center.

"Currently, a proposed Trade Agreement is being negotiated by our U.S. Trade Representative. It then is passed on to the states and generally, states like Hawaii where we import 95 percent of everything, we only have the export of tourists and we have small amounts of agricultural products. We need all the trade we can get. And to have us put our foot in the aisle, it seems to be counterproductive, because this has always been in the Governor's Office to deal with or without the approval of the Legislature. I don't know of one trade agreement, Mr. Speaker, that the Governor has sold us down the river on. And I'm sure this Governor is not going to sell us down the river, so why do we need this bill?

"We need trade and why do we want to make it even more difficult, particularly when we're off Session, and we have to come into Session, or to wait and postpone trade when we're not in Session, I just don't see the logic of it, so I'm going against this. Thank you."

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

"Mr. Speaker, I rise in support. Just to answer the questions of why we want to do this. What I would refer to is the Procurement Code, Chapter 103D, Part 10, which basically sets forth all of the preferences. If you don't really understand the Procurement Code, what the Procurement Code is about is how are we going to spend the government and taxpayers' money. What we want to do is make

sure that we do so fairly. We want to make sure that we get the best pricing, that we get the best value. But there are times when the best value may be something that's subjective. And that's why we have put in our statutes preferences. Sometimes what we want to actually do is buy Hawaii products first, or we want to buy recycled products first. Or we want to make sure we have reciprocity. Or that they are software development businesses, or tax credit preferences. So I would say that that's why we need to stick by our Procurement Code.

"The problem with trade agreements is, it opens up our potential market for anybody out there and they don't necessarily have to follow our preferences anymore. It's actually a run around and circumvention, if you will, of the Procurement Code. And what we, as policymakers, have said, we want to establish as the priorities for spending of taxpayers money. That's the danger when it comes to International Trade Agreements because it basically trumps any and all other types of transactions, even those that we have put in the Procurement Code.

"So the question is whether the Governor unilaterally, without the Legislature's approval, should be able to say, 'I don't care what the Procurement Code says. I want everybody out there in the free world to be able to compete.' And sometimes that's okay, but sometimes it's actually not, especially in this day and age when we've seen the conglomeration of international corporations go across the world. We need to make sure that our preferences, for Hawaii businesses, for recycled products, stays intact. Thank you."

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

"Thank you very much, Mr. Speaker. Strong agreement, as well, and in strong support. Just to correct the first speaker, the Representative from Hawaii Kai. There seems to be a misunderstanding or misperception about exactly what this bill does. This bill does not say that the State of Hawaii has any say, frankly, in international trade agreements. In fact, we have very little say. But what we do have some authority over, some input, is over the procurement section of the International Trade Agreement. And this is why the U.S. Trade Representative has asked governors across the nation to sign on to the procurement section of International Trade Agreement bills.

"You know, the dirty little secret about International Trade Agreements, Mr. Speaker, is that it's not just about trade. It's about services, it's about investment. It's also about procurement. This only reaches into the procurement section and I would dare say that there is no state in the United States that allows a governor unilaterally to decide what the procurement policy of that state should be.

"Mr. Speaker, we see bills come up from this Floor time and time again as mentioned by the speaker from Aiea about how and why a state should purchase goods and services. Governors do not have any authority over that.

"Secondly, Mr. Speaker, even the National Conference of State Legislatures, the NCSL realizes the importance of having the Legislature have some say as to whether or not the state should be bound over to the procurement section of International Trade Agreements and they merely asked the U.S. Trade Representative to send copies of letters of governors that signed on their states, to relevant legislative leaders. The USTR refused to do so. Now, I find it shocking that a federal agency cannot even let legislative leaders across the country know whether or not their individual states have been bound over by a trade agreement, so we have to do it this way.

"Lastly, Mr. Speaker, at the federal level, fast-track authority notwithstanding, any trade agreement that is being considered by the federal government has to go through the Congress. This should be no different. I do believe the people in the State of Hawaii deserve to have a full and fair hearing through the legislative process as to whether or not any Trade Agreement out there, again, related to

procurement, should be or could be to the best benefit to the people of this State. We should make that decision. Do we want to trade with a nation that imposes child labor? We might say yes. I hope not. But we will have the opportunity to do so. Do we want to have trade with a nation that somehow binds us over and then the policy such as buying local, or having recycled goods and all the rest of it would be to our detriment. Again, we should have a say as to whether or not this happens.

"Last year we sent up a bill to the Governor. As you know, it was vetoed because in her veto message it said that we are encroaching to the authority of the Governor. I believe that is a mistake. I believe that the Legislature is the place where we discuss procurement. 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. 31, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC PROCUREMENT," passed Third Reading by a vote of 42 ayes to 7 noes, with Representatives Awana, Ching, Finnegan, Marumoto, Meyer, Pine and Ward voting no, and with Representatives Takai and Thielen being excused.

At 2:10 o'clock p.m., Representative Luke requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 2:12 o'clock p.m. with Speaker Say presiding.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 973) recommending that H.B. No. 1290, pass Third Reading.

At this time, Representative Luke offered Floor Amendment No. 2 amending H.B. No. 1290 as follows:

SECTION 1. House Bill No. 1290 (RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND) is amended to read as follows:

"SECTION 1. The legislature finds that there are many individuals living in Hawaii who have significant personal, emotional, and economic relationships with another individual, yet are prohibited from marrying. Therefore, in 1997, the legislature passed legislation that recognizes that the benefits and rights hither to available only to married couples should be made available to couples in a reciprocal beneficiary relationship.

The State's employees' retirement system has since recognized the rights of state employees in reciprocal beneficiary relationships. However, when the State's Hawaii employer-union health benefits trust fund was created in 2001, the law omitted reference to reciprocal beneficiaries.

The purpose of this Act is to ensure parity between unmarried couples and married couples by extending the benefits provided under the State's employer-union health benefits trust fund to reciprocal beneficiaries."

SECTION 2. Section 87A-1, Hawaii Revised Statutes, is amended by adding a new definition to be appropriately inserted and to read as follows:

"Reciprocal beneficiaries" or "reciprocal beneficiary" shall have the meaning ascribed to them in section 572C-3."

SECTION 3. Section 87A-1, Hawaii Revised Statutes, is amended by amending the definitions of "dependent-beneficiary", "employee-beneficiary", and "qualified-beneficiary" to read as follows:

"Dependent-beneficiary" means an employee-beneficiary's:

- (1) Spouse[;] or reciprocal beneficiary;
- (2) Unmarried child who has not entered into a reciprocal beneficiary relationship deemed eligible by the board, including a legally adopted child, stepchild, foster child, or recognized natural child who lives with the employee-beneficiary; and
- (3) Unmarried child who has not entered into a reciprocal beneficiary relationship regardless of age who is incapable of self-support because of a mental or physical incapacity, which existed prior to the unmarried child's reaching the age of nineteen years.

"Employee-beneficiary" means:

- (1) An employee;
- (2) The ~~[beneficiary]~~ spouse or reciprocal beneficiary of an employee who is killed in the performance of the employee's duty[;], until the spouse or reciprocal beneficiary marries or enters into a reciprocal beneficiary relationship;
- (3) ~~[An employee who retired prior to 1961;]~~ The child of an employee who is killed in the performance of the employee's duty, until the child marries, enters into a reciprocal beneficiary relationship, or reaches the age of nineteen, whichever occurs first;
- (4) The ~~[beneficiary]~~ spouse or reciprocal beneficiary of a retired member of the employees' retirement system[;], a county pension system[;], or a police, firefighters, or bandsmen pension system of the State or a county, upon the death of the retired member[;] until the spouse or reciprocal beneficiary marries or enters into a reciprocal beneficiary relationship; or
- (5) The ~~[surviving]~~ child of a ~~[deceased retired employee, if the child is unmarried and under the age of nineteen;]~~ retired member of the employees' retirement system, a county pension system, or a police, firefighters, or bandsmen pension system of the State or a county, upon the death of the retired member and until the child marries, enters into a reciprocal beneficiary relationship, or reaches the age of nineteen, whichever occurs first;
- (6) ~~The surviving spouse of a deceased retired employee, if the surviving spouse does not subsequently remarry;~~

provided that the employee, the employee's ~~[beneficiary, or the beneficiary of the deceased retired employee]~~ spouse, child, or reciprocal beneficiary, or the retired member's spouse, child, or reciprocal beneficiary is deemed eligible by the board to participate in a health benefits plan or long-term care benefits plan under this chapter.

"Qualified-beneficiary" means, for purposes of the long-term care benefits plan, a former employee or an employee who is not eligible for benefits due to a reduction in work hours, including the spouse[;] or reciprocal beneficiary, divorced spouse, parents, grandparents, in-law parents, and in-law grandparents of an employee or retiree; provided that the beneficiary was enrolled in the plan before the employee or former employee became ineligible for benefits."

SECTION 4. Section 87A-18, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) The board may establish a long-term care benefits plan or plans for employee-beneficiaries; the spouses[;] or reciprocal beneficiaries, parents, grandparents, in-law parents, and in-law grandparents of employee-beneficiaries; and qualified-beneficiaries. The plan or plans shall be at no cost to employers and shall comply with article 10H of chapter 431.



(b) Notwithstanding any other law to the contrary, long-term care benefits shall be available only to:

- (1) Employee-beneficiaries and their spouses[;] or reciprocal beneficiaries, parents, and grandparents;
- (2) Employee-beneficiary in-law parents and grandparents; and
- (3) Qualified-beneficiaries who enroll between the ages of twenty and eighty-five,

who comply with the plan's age, enrollment, medical underwriting, and contribution requirements."

SECTION 5. Section 87A-23, Hawaii Revised Statutes, is amended to read as follows:

"**§87A-23 Health benefits plan supplemental to medicare.** The board shall establish a health benefits plan, which takes into account benefits available to an employee-beneficiary and spouse or reciprocal beneficiary under medicare, subject to the following conditions:

- (1) There shall be no duplication of benefits payable under medicare. The plan under this section, which shall be secondary to medicare, when combined with medicare and any other plan to which the health benefits plan is subordinate under the National Association of Insurance Commissioners' coordination of benefit rules, shall provide benefits that approximate those provided to a similarly situated beneficiary not eligible for medicare;
- (2) The State, through the department of budget and finance, and the counties, through their respective departments of finance, shall pay to the fund a contribution equal to an amount not less than the medicare part B premium, for each of the following who are enrolled in the medicare part B medical insurance plan: (A) an employee-beneficiary who is a retired employee, (B) an employee-beneficiary's spouse or reciprocal beneficiary while the employee-beneficiary is living, and (C) an employee-beneficiary's spouse[;] or reciprocal beneficiary, after the death of the employee-beneficiary, if the spouse or reciprocal beneficiary qualifies as an employee-beneficiary. For purposes of this section, a "retired employee" means retired members of the employees' retirement system; county pension system; or a police[;] officers, firefighters, or bandsmen pension system of the State or a county as set forth in chapter 88. If the amount reimbursed by the fund under this section is less than the actual cost of the medicare part B medical insurance plan due to an increase in the medicare part B medical insurance plan rate, the fund shall reimburse each employee-beneficiary and employee-beneficiary's spouse or reciprocal beneficiary for the cost increase within thirty days of the rate change. Each employee-beneficiary and employee-beneficiary's spouse or reciprocal beneficiary who becomes entitled to reimbursement from the fund for medicare part B premiums after July 1, 2006, shall designate a financial institution account into which the fund shall be authorized to deposit reimbursements. This method of payment may be waived by the fund if another method is determined to be more appropriate;
- (3) The benefits available under this plan, when combined with benefits available under medicare or any other coverage or plan to which this plan is subordinate under the National Association of Insurance Commissioners' coordination of benefit rules, shall approximate the benefits that would be provided to a similarly situated employee-beneficiary not eligible for medicare;
- (4) All employee-beneficiaries or dependent-beneficiaries who are eligible to enroll in the medicare part B medical insurance plan shall enroll in that plan as a condition of receiving

contributions and participating in benefits plans under this chapter. This paragraph shall apply to retired employees, their spouses[;] or reciprocal beneficiaries, and the surviving spouses or reciprocal beneficiaries of deceased retirees and employees killed in the performance of duty; and

- (5) The board shall determine which of the employee-beneficiaries and dependent-beneficiaries, who are not enrolled in the medicare part B medical insurance plan, may participate in the plans offered by the fund."

SECTION 6. Section 87A-32, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The State, through the department of budget and finance, and the counties, through their respective departments of finance, shall pay to the fund a monthly contribution equal to the amount established under chapter 89C or specified in the applicable public sector collective bargaining agreements, whichever is appropriate, for each of their respective employee-beneficiaries and employee-beneficiaries with dependent-beneficiaries, which shall be used toward the payment of costs of a health benefits plan; provided that:

- (1) The monthly contribution shall be a specified dollar amount;
- (2) The monthly contribution shall not exceed the actual cost of a health benefits plan;
- (3) If both husband and wife or reciprocal beneficiaries are employee-beneficiaries, the total contribution by the State or the county shall not exceed the monthly contribution for a family plan; and
- (4) If the State or any of the counties establish cafeteria plans in accordance with Title 26, United States Code section 125, the Internal Revenue Code of 1986, as amended, and [~~part II of chapter 78,~~] section 78-30, the monthly contribution for those employee-beneficiaries who participate in a cafeteria plan shall be made through the cafeteria plan, and the payments made by the State or counties shall include their respective contributions to the fund and their employee-beneficiary's share of the cost of the employee-beneficiary's health benefits plan."

SECTION 7. Section 87A-33, Hawaii Revised Statutes, is amended to read as follows:

"**§87A-33 State and county contributions; retired employees.** (a) Notwithstanding any law to the contrary, this section shall apply to state and county contributions to the fund for:

- (1) The dependent-beneficiary of an employee who is killed in the performance of duty;
- (2) A dependent-beneficiary, upon the death of the employee-beneficiary, except as provided in section 87A-36;
- (3) An employee-beneficiary who retired after June 30, 1984, due to a disability falling within sections 88-79 and 88-285;
- (4) An employee-beneficiary who retired before July 1, 1984;
- (5) An employee-beneficiary who:
  - (A) Was hired before July 1, 1996;
  - (B) Retired after June 30, 1984; and
  - (C) Who has ten years or more of credited service, excluding sick leave;
- (6) An employee-beneficiary who:

- (A) Was hired after June 30, 1996; and
  - (B) Retired with twenty-five or more years of credited service, excluding sick leave, except as provided in section 87A-36; and
- (7) Employees who retired prior to 1961 and their dependent-beneficiaries.

~~[(b) Effective July 1, 2003, there is established a base monthly contribution for health benefit plans that the State, through the department of budget and finance, and the counties, through their respective departments of finance, shall pay to the fund, up to the following:~~

- ~~(1) \$218 for each employee-beneficiary enrolled in supplemental medicare self plans;~~
- ~~(2) \$671 for each employee-beneficiary enrolled in supplemental medicare family plans;~~
- ~~(3) \$342 for each employee-beneficiary enrolled in non-medicare self plans; and~~
- ~~(4) \$928 for each employee-beneficiary enrolled in non-medicare family plans.~~

~~The monthly contribution by the State or county shall not exceed the actual cost of the health benefits plan or plans. If both husband and wife are employee-beneficiaries, the total contribution by the State or county shall not exceed the monthly contribution for a supplemental medicare family or non-medicare family plan, as appropriate.~~

~~[(e)] (b) Effective July 1, 2004, there is established a base monthly contribution for health [benefit] benefits plans that the State, through the department of budget and finance, and the counties, through their respective departments of finance, shall pay to the fund, up to the following:~~

- ~~(1) \$254 for each employee-beneficiary enrolled in supplemental medicare self plans;~~
- ~~(2) \$787 for each employee-beneficiary enrolled in supplemental medicare family plans;~~
- ~~(3) \$412 for each employee-beneficiary enrolled in non-medicare self plans; and~~
- ~~(4) \$1,089 for each employee-beneficiary enrolled in non-medicare family plans.~~

The monthly contribution by the State or county shall not exceed the actual cost of the health [benefit] benefits plan or plans and shall not be required to cover increased benefits above those initially contracted for by the fund for plan year 2004-2005. If both husband and wife or reciprocal beneficiaries are employee-beneficiaries, the total contribution by the State or county shall not exceed the monthly contribution for a supplemental medicare family or non-medicare family plan, as appropriate.

~~[(d)] (c) The base composite monthly contribution shall be adjusted annually, beginning July 1, 2005. The adjusted base composite monthly contribution for each new plan year (July 1 until June 30) shall be calculated by increasing or decreasing the base composite monthly contribution in effect through the end of the previous plan year by the percentage increase or decrease in the medicare part B premium rate for those years, which percentage shall be calculated by dividing the medicare part B premium rate in effect at the beginning of the new plan year by the rate in effect at the beginning of the previous plan year.~~

For the plan year beginning July 1, 2005, the adjusted base monthly contribution shall be computed using the actual contracted

premium rate as of July 1, 2004, for medicare and non-medicare, self and family health [benefit] benefits plans with the highest actual contracted premium rate as of July 1, 2004.

As used in this subsection, "medicare part B premium rate" means the rate published in the Federal Register each year on November 1 or on the business day closest to November 1 of each year after the medicare part B premium rate has been established by the Secretary of Health and Human Services and approved by the United States Congress."

SECTION 8. Section 87A-34, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The State, through the department of budget and finance, and the counties, through their respective departments of finance, shall pay to the fund a monthly contribution equal to one-half of the base monthly contribution set forth under section 87A-33(b) for retired employees enrolled in medicare or non-medicare health benefits plans. If both husband and wife or reciprocal beneficiaries are employee-beneficiaries, the total contribution by the State or county shall not exceed the monthly contribution for supplemental medicare family or non-medicare family plan, as appropriate."

SECTION 9. Section 87A-35, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) The State, through the department of budget and finance, and the counties, through their respective departments of finance, shall pay to the fund:

- (1) For retired employees enrolled in medicare or non-medicare health [benefit] benefits plans with ten or more years but fewer than fifteen years of service, a monthly contribution equal to one-half of the base monthly contribution set forth under section 87A-33(b); and
- (2) For retired employees enrolled in medicare or non-medicare health [benefit] benefits plans with at least fifteen but fewer than twenty-five years of service, a monthly contribution of seventy-five per cent of the base monthly contribution set forth under section 87A-33(b).

If both husband and wife or reciprocal beneficiaries are employee-beneficiaries, the total contribution by the State or county shall not exceed the monthly contribution for a supplemental medicare family or non-medicare family plan, as appropriate."

SECTION 10. Section 87A-36, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) The State, through the department of budget and finance, and the counties, through their respective departments of finance, shall pay to the fund:

- (1) For retired employees based on the self plan with ten or more years but fewer than fifteen years of service, a monthly contribution equal to one-half of the base medicare or non-medicare monthly contribution set forth under section 87A-33(b);
- (2) For retired employees based on the self plan with at least fifteen but fewer than twenty-five years of service, a monthly contribution equal to seventy-five per cent of the base medicare or non-medicare monthly contribution set forth under section 87A-33(b);
- (3) For retired employees based on the self plan with twenty-five or more years of service, a monthly contribution equal to one-hundred per cent of the base medicare or non-medicare monthly contribution set forth under section 87A-33(b); and

- (4) One-half of the monthly contributions for the employee-beneficiary or employee-beneficiary with dependent-beneficiaries upon the death of the employee, as defined in paragraph (1)(E) of the definition of "employee" in section 87A-1.

If both husband and wife or reciprocal beneficiaries are employee-beneficiaries, the total contribution by the State or county shall not exceed the monthly contribution for two supplemental medicare self or non-medicare self plans, as appropriate."

SECTION 11. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 12. This Act shall take effect upon its approval.

Representative Luke moved that Floor Amendment No. 2 be adopted, seconded by Representative Bertram.

Representative Luke rose to speak in support of the proposed floor amendment, stating:

"Mr. Speaker, thank you so much. I rise to speak in favor of this floor amendment. I do appreciate you and the leadership, and the Judiciary Chair for having a hearing on the bill that's incorporated in this floor amendment. HB 1587 was specifically dealing with reciprocal beneficiaries for State employees, and let me explain that bill.

"In 1997, when the Legislature passed the reciprocal beneficiary statute, about 200 different portions of reciprocal benefits were granted throughout the State. One section that was carved out at that point was for State employees. HB 1587 specifically addressed the need to provide equality and equal treatment and to provide the same type of benefits for reciprocal benefit as is provided in the private sector for State employees. Since 1997, State employees have not been able to have the benefit of these benefits, and HB 1587, which is the floor amendment here today, is trying to fix that inequity.

"I do appreciate the Judiciary Committee for having a hearing on this bill. The unfortunate part is that because this bill was somehow related in some part to the civil union bill, I think there was a lot of testimony, whether it's this bill or civil union bill, that a lot of the civil rights community wanted it. I think that's the unfortunate part, because this bill definitely has merit on its own, and it should not have been combined or related to the civil union bill. And because I believe that if taken apart from other issues, this bill would have passed. It deserves continued discussion. That is why I offer this floor amendment. Thank you."

Representative Bertram rose to speak in support of the proposed floor amendment, stating:

"Thank you, Mr. Speaker. I rise in strong support for this as well. Echoing the previous speaker's comments that this is something that is just overdue anyway, regardless of what happens with the civil union bill. And also, I think it does show that the House is still committed to the steady, slow progress towards civil rights for all citizens of the State. I think it's important that even these small steps, as I mentioned previously, even with bikeways. Even if we're getting two percent, if we're getting one percent, if we get a percentage of rights being established in each Session, each time, we are going to see this march just keep going forward.

"So I very much support this amendment and I would really hope that the other Members support this. And we need to show some movement on this issue even if it is an itty, bitty, tiny, little step. Thank you."

Representative Saiki rose to speak in support of the proposed floor amendment, stating:

"I rise in support of this measure. First of all, I would like to request a roll call vote, and I would like to submit written comments," and the Chair "so ordered."

Representative Saiki's written remarks are as follows:

"Mr. Speaker, I rise in support of this floor amendment because after enacting the reciprocal beneficiary statute in 1997, it is time that the Legislature finally address the issue of extending health benefits to the reciprocal beneficiaries of State and county workers. The Judiciary Committee previously heard a measure, H.B. 1587, that proposed to do this, but did not approve it and instead deferred decision making on the measure. Thus, it is necessary that we amend this bill to preserve our opportunity to act on this proposal in this legislative Session. Thank you."

The request for a roll call vote was put to vote by the Chair and upon a show of hands, the roll call was approved.

Roll call having been approved, the motion that Floor Amendment No. 2, amending H.B. No. 1290, entitled: " A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND," be adopted, was put to vote by the Chair and carried on the following show of Ayes:

Ayes, 47: Representatives Awana, Belatti, Berg, Bertram, Brower, Caldwell, Carroll, Chang, Ching, Chong, Evans, Finnegan, Green, Hanohano, Har, Herkes, Ito, Karamatsu, Lee, Luke, Manahan, Marumoto, McKelvey, Meyer, Mizuno, Morita, Nakasone, Nishimoto, B. Oshiro, M. Oshiro, Pine, Rhoads, Sagum, Saiki, Say, Shimabukuro, Sonson, Souki, Takamine, Takumi, Tokioka, Tsuji, Wakai, Ward, Waters, Yamane and Yamashita.

Excused, 4: Representatives Cabanilla, Magaoay, Takai and Thielen.

At this time, the Chair announced:

"The floor amendment has passed and we will be taking this up on Thursday at 2:20 p.m. to meet the 48-hour requirement."

At 2:20 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 2:22 o'clock p.m.

At this time, the Chair announced:

"After clarifying the last vote that we had on the Floor of the House. I stated for the record that Stand. Com. Rep. No. 973 will be taken up on Thursday to meet the 48-hour requirement."

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 975) recommending that H.B. No. 1746, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1746, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising with some reservations on this measure. This is a bill dealing with the pilot program that was established and passed into law in 2005. It was a three-year pilot program to see how reinstating the VEBA Trust would work at perhaps saving money on medical cost for State employees. I know that the HSTA found it took longer than they thought to get their members organized and get back into the VEBA Trust. So this bill is asking to extend that pilot program that was originally for three years out to 2013, which would now make it a five-year pilot program, and

long, I think, for a pilot program. They will make a report after the VEBA Trust has been in effect for two full years.

"I would like to see, and I know that this bill got a long way to go yet, but I would like to see an independent party do the study. Right now it's left to the union organization to come up with all the information and the experience. I'd like to see someone like the Auditor do the report on all the findings. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. Just slight reservations, and my reservations have to do with aligning the Sunset date with the report back to the Legislature. So having it to be consistent with the two years of the report to the Legislature and then, extending it should we find that the report comes out okay."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1746, entitled: "A BILL FOR AN ACT RELATING TO VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION TRUSTS," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 976) recommending that H.B. No. 14, as amended in HD 1, pass 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. 14, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 978) recommending that H.B. No. 17, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 17, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm going to be voting in opposition to this measure. This is the measure that has to do with the Weighted Student Formula, and it requires the DOE's Committee on Weights to meet every odd numbered year, rather than every year. What I remember in Committee, as well as what I remember reading throughout the past months in different reports, is that what we want to do is try to move forward with the Weighted Student Formula Committee and the Weighted Student Formula in general.

"The Board of Education also did a consultant's report on how the Weighted Student Formula was doing. One of the issues that they had was that it's slowing its implementation. That was one of the negatives, the main negative that they had in that particular report. So, instead of doing it every odd year, we should be concentrating on how do we help keep the pressure on the Board, as well as the DOE to discuss these issues that have to do with the Weighted Student Formula and moving it forward.

"I understand that there are some challenges and it would just be more convenient. But my concern is that when you have a deadline like two years down the line, procrastination can set in. And if you're going according to the consultant's report that the Board of Education has, it basically states that. It is more difficult for these schools to be sitting in a situation where they are in a stuck place. If we just help this Weighted Student Formula move forward in a quicker manner, maybe within that system that you allow these schools to get more

towards the money that they can use flexibly which would allow them to have an easier time at these schools. Thank you."

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

"Thank you very much, Mr. Speaker. I stand in support. The previous speaker is confusing apples with oranges. Mr. Speaker, this bill does not have anything to do with the amount of time it takes to implement the Weighted Student Formula.

"As you know, Mr. Speaker, when Act 51 passed, it mandated that 70% of the operational dollars would go to the schools. They have not reached that point yet. In year one, they went 10%. This past year they went 5%. So there's only 15% implementation toward that overall goal of 70%. What this bill does is to say that in odd-numbered years, at a minimum, they can meet more often, but at a minimum they shall meet every two years starting with odd-numbered years, which means this year again.

"Mr. Speaker, all of us who have schools in our district, which is all of us by the way, have experienced complaints by teachers, by principals and school committee councils about the rip-sawing effect of the Committee on Weights, what has happened in year one and year two is that as they have come up with a proposed formula on who should be weighted, how it should be weighted, whether or not there will be a foundation and all the rest of it, there has been uncertainty in the system. By meeting every two years, if they choose to decide this, once they come up with a third approach to the latest student formula this year, it would give some comfort to schools out there for at least for the next two years, there will be predictability, some consistency, some mode of funding, and at least we can assume that when they plan their financial and academic plans, that that budget would more or less stay intact for the next two years. That's the whole intent behind this bill. Thank you, Mr. Speaker."

Representative Finnegan rose to respond, stating:

"Thank you Mr. Speaker. I would argue that I'm not speaking in regards to apples and oranges, but that I am speaking orange to orange, and apple to apple when I talk about this issue. When I speak with people who are in my community in regards to this, they are on the other side of the equation where some of them will actually be gaining money. A lot of our communities through the Weighted Student Formula if given a chance, like we were talking about Farrington High School, they will be gaining a lot of money if there was an addition of, or if there was more movement in regards to the Weighted Student Formula. There are quite a few schools that will be doing that. So, it depends on what side of the coin you would want to rush this thing through.

"For those who have been on the side of the coin that for very many years we were under-funded due to the population that they've had that they would like to see this move a lot quicker. So again, I'm talking to this. BOE hired with their own money, a consultant that stated that the problem with the Weighted Student Formula right now is that it's moving too slow. This will give the opportunity to the Board of Education and others to slow down the implementation, then that is not a good thing.

"I would also state that we talk about having the opportunity to possibly meet more within those two years and work on the Weighted Student Formula. The problem that some of the communities were talking about is it wasn't necessarily the yearly recruitment. It was more the situation of the BOE pushing it off, and pushing off, and pushing it off, and then giving the schools a very small window of time to be able to plan and implement the changes and all that other kind of stuff.

"So, if we did that, if the Board would stay on task on what they decide on what how to do the Weighted Student Formula and then

give the schools within that year the amount of time to adjust, I think that that would be fair."

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

"In opposition, Mr. Speaker. I first would like the words of the Minority Leader as my own. She brought some really good points and it kind of reminded me when the weighted formula got passed. I went back to my district and said we're going to benefit from this because the majority of our students are students from other countries whose families moved here. And the majority of students from all the schools come from very poor family. They either live at the poverty line or below.

"I remember the year after when all the principals came back to me and said they are not going to implement this. They said they were going to get only five percent of the whole thing we were supposed to get. And so that really just lowered the morale of the people in my district and the principals and teachers. So I do agree with the Minority Leader that they should do this faster and definitely meet more often than two years."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 17, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 44 ayes to 5 noes, with Representatives Ching, Finnegan, Meyer, Pine and Ward voting no, and with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 980) recommending that H.B. No. 23, HD 2, as amended in HD 3, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 23, HD 3, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising in support, but with some reservations. This bill is to ensure the safety and welfare of children enrolled in the public school system. It authorizes the Department of Education to perform criminal history record checks on any employee provider or subcontractor that enters or intends to enter into a contract with or is currently contracted by the DOE to provide services in close proximity to the children. I think this is a good thing.

"The problem I have with the bill as it exists right now is that it excludes teacher trainees to those same criminal background checks. Why are we excluding teacher trainees from background checks? Do we really want to have trainees who might be criminals, drug addicts or child molesters working in close proximity to our kids? Is there some reason the teacher trainees are considered more vulnerable and trustworthy than everyone else subject to these checks. I think it's a loophole and I hope that as it moves along through the process, these people will also be subject to the criminal checks. 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. 23, HD 3, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL HISTORY RECORD CHECKS," passed Third Reading by a vote of 48 ayes to 1 no, with Representative Bertram voting no, and Representatives Takai and Thielen being excused.

At 2:24 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1950, HD 1	H.B. No. 14, HD 1
H.B. No. 31, HD 1	H.B. No. 17, HD 1
H.B. No. 1746	H.B. No. 23, HD 3

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 981) recommending that H.B. No. 564, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 564, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I think I've spoken on this issue before and so I will not be belabor the point of its importance. I am in support, Mr. Speaker, in support. I very much appreciate it. However, if I could just touch on a few points.

"Once again, I rise in strong support of this measure that will give teachers the resources and the flexibility to give to our children the best education possible. Teachers are committed to educating students, but they can become frustrated because they find themselves limited by the resources they are given or find themselves waiting for long periods of time for the supplies they need to best educate our students in our State. And oftentimes they are resorting to spending their own money to get supplies that they feel are essential to maximize student learning. This was demonstrated in the HSTA testimony when they said that input from teachers suggest that they are spending approximately \$800 each for supplies in their classrooms.

"These dedicated teachers need help. Mr. Speaker, the debit cards proposed here are I believe a tool in recruiting teachers, as well as giving them flexibility for innovative curriculum needed in our schools. Thank you."

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

Representative Awana's written remarks are as follows:

"Thank you, Mr. Speaker, I am in support. Teachers in my community are extremely supportive of this bill. The debit card system will provide our teachers with more time to spend on preparing for lessons or assisting students instead of filling out cumbersome invoices. In addition, this card system will allow our educators the ability to obtain supplies in a timely manner."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 564, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 985) recommending that H.B. No. 30, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 30, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Ward rose in opposition to the measure, and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ward's written remarks are as follows:

"Mr. Speaker, I am in opposition to House Bill 30 House Draft 2.

"Mr. Speaker, I do not believe that the State Legislature has the power to void any federal International Trade Agreement. That is

why the citizens of this State vote for U.S. Congressmen and women and Senators to represent us in Washington D.C. It is their job to speak with interested parties and Congressional leaders to make sure International Trade Agreements are fair to Hawaii businesses and workers. Not the State Legislature. If our leaders in Washington D.C. fail us, then our citizens have the power and the right to vote for new representation in Washington D.C.

"This bill is nothing more than a partisan bill that this legislative body is using to try to limit the Governor's executive powers because she is from a different political party than the Majority in the House. The Representative from Pearl City was correct when he stated that International Trade Agreements do not happen overnight.

"However, even if they take years or months to develop, the federal government may come to the Governor during the interim and ask for the State's consent with short notices and specific deadlines. This bill does not address the interim protocol if the federal government asks for a decision while we are out of Session. If the Governor is not able to act in a timely manner because she must wait for the Legislature's consent, Hawaii may risk losing federal funding or miss out on a great opportunity to help the citizens of Hawaii.

"For these and other reasons, I stand in opposition to this bill."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 30, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INTERNATIONAL TRADE AGREEMENTS," passed Third Reading by a vote of 41 ayes to 8 noes, with Representatives Awana, Ching, Finnegan, Marumoto, McKelvey, Meyer, Pine and Ward voting no, and with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 986) recommending that H.B. No. 1547, HD 2, as amended in HD 3, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1547, HD 3, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I rise with reservations on this bill. This bill does two things. It establishes the Office of International Relations and it also appropriates funds to bring the Symposium on Freeways and Toll Ways here. My concern is that there is not enough time to establish an Office of International Relations, as well as bring this Symposium here by 2009. I think it's very ambitious to do and it's possibly already duplicating efforts of the Hawaii Tourism Authority and the Hawaii Convention Center, so I will be voting with reservations. Thank you."

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

Representative Cabanilla's written remarks are as follows:

"Mr. Speaker, I am in strong support of HB1547 HD3. I had the privilege to attend the 1<sup>st</sup> ever International Symposium on Tollways and Highways held in Athens, Greece last summer. The information that I garnered to tackle our lane deficient islands was fantastic and promising. It resulted in the introduction of numerous Public-Private-Partnership bills that are now before us.

"Over 500 engineers and financiers from over 22 countries shared their expertise at the symposium. Not too long ago, Athens held the summer Olympics whereby they constructed over 90 miles of highways in less than five years. How did they do it? The answer

lies in providing the means to have the private sector involved. Without the private sector- here is what happens:

"The North-South Road in Ewa being constructed today is roughly 3 miles long and took the State DOT almost a decade to merely plan and design. Another example is when the Legislature in 1999 provided \$4 million to the State to build a bike path known as the Leeward bikeway, yet today, the State has yet to build an inch. Simply put, the State does not have the personnel, resources, and financial reserve to do what needs to be done.

"Colleagues, we are in a transportation crisis. Let's bring the next International Tollway and Highway Symposium here in order to have hundreds of transportation experts and financiers from all over the globe assist us in resolving our crisis. For your information, the government of Greece contributed roughly a quarter of a million dollars to host the symposium. I urge all of my colleagues to vote yes on this measure. Thank you, Mr. Speaker."

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

"Mr. Speaker, I rise in strong support of the measure with brief comments. In 1988, the State under the guidance of President Simone of the University of Hawaii held a seminar and it was about the future international role of the State of Hawaii. Following a few years after that, there was established an Office of International Relations which was in the Governor's Office. And then because of various difficulties in the '90s because of funding, that Office and its funding went out the door, out the window. It was only in the wisdom of last year's Legislature that the Office of International Affairs was re-established and that with this bill, it's funding and inclusion by this Legislature.

"This is one where I really like. We are getting our involvement with international affairs because this puts a protocol fund together by which we can participate with those many, many visitors from overseas, which hopefully, many, many trade agreements will be result from.

"Mr. Speaker, this is an idea whose time has come. We have not changed our geographical position in the middle of the Pacific, but we are slowly changing our thinking again. Back in 1988, when we saw us having a possibility of being the future 'Geneva of the Pacific', the future of international trade, the future of a lot of things, because the future of the world is in the Pacific, and that's where we are. So, this bill has reached the time, and now with this bill its funding, and I hope, Mr. Speaker, everybody will be vote in the positive. Thank you."

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1547, HD 3, entitled: "A BILL FOR AN ACT RELATING TO INTERNATIONAL AFFAIRS," passed Third Reading by a vote of 48 ayes to 1 no, with Representative Har voting no, and Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 989) recommending that H.B. No. 1818, HD 1, as amended in HD 2, pass 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. 1818, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT EMPLOYEES," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 990) recommending that H.B. No. 806, HD 1, as amended in HD 2, pass 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. 806, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PEDESTRIAN SAFETY," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 991) recommending that H.B. No. 1718, HD 2, as amended in HD 3, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1718, HD 3, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'll make this brief. I'm rising in support with a very slight reservation. I hope that when this bill returns, that the voice of the counties will be included in the analysis. This is a very important issue that needs to be handled. As long as the counties can be included in an active voice, I would appreciate it. It will help us all. 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. 1718, HD 3, entitled: "A BILL FOR AN ACT RELATING TO CRUISELINE INDUSTRY," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 992) recommending that H.B. No. 1072, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1072, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising in support with some very serious reservations on this particular measure. This is Stand. Com. Rep. No. 992, H.B. 1072. This bill would establish the Kakaako Affordable Housing Development Program and set up an appropriation of special funds for that organization. I guess my concerns are that I believe that HHFDC would be far more efficient for affordable projects located within the Kakaako area. They are in that business and they would be more effective in seeking funding.

"There are existing programs. They handle existing programs, including the Rental Trust Fund and federal and State low income tax credits, which provide financial assistance in the development of affordable housing. The development of affordable housing should not be limited to Kakaako as there is a statewide shortage of affordable housing.

"Mr. Speaker, in Committee HCDA commented that their strength lies in its function as a redevelopment agency, not a housing developer. They recommend directing the funds in this measure to community development districts for the creation of high density mixed use urban communities, residential, commercial, industrial and other uses, while allowing HHFDC to continue its work as Hawaii's premiere housing finance and development department. Thank you."

Representative Awana rose in support of the measure with reservations, and asked that the remarks of Representative Meyer be

entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

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

Representative Shimabukuro's written remarks are as follows:

"Mr. Speaker, I am in support of House Bill 1072.

"We have before us today a number of bills that together hold promise for developing much-needed affordable housing for Hawaii residents. No bill in itself provides a total solution to our housing crisis, but each bill represents a key piece in the overall picture. HB 1072 is one of these key pieces.

"The bill's introductory language tells us that it is the high cost of land that contributes significantly to the high cost of housing in Hawaii. The shortage in the supply of land creates a situation in which land tends to be developed for higher priced housing rather than at more affordable levels.

"If government wishes to alleviate this situation, it is only natural that it look first at its own land inventory. The Kakaako Community Development District is one such area that is ideally suited for affordable housing, both by its proximity to Honolulu's urban core and by its legislative mandate to "alleviate community needs such as low-income housing ..."

"Objections that affordable housing should not be limited to Kakaako, or that HHFDC is more suited to carrying out the intent of this bill, are without merit. First of all, there is no intent in the measure to put the burden on HCDA to meet all of urban Oahu's affordable housing needs, or to diminish HHFDC's role. Both agencies, along with the many private non-profit developers who are committed to making housing more affordable, will continue to make significant contributions according to their specific mandates.

"I urge my colleagues to vote favorably on this bill."

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1072, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 993) recommending that H.B. No. 1121, HD 1, as amended in HD 2, pass 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. 1121, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WATER RATES FOR AGRICULTURAL USES," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

At 2:44 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 564, HD 1	H.B. No. 806, HD 2
H.B. No. 30, HD 2	H.B. No. 1718, HD 3
H.B. No. 1547, HD 3	H.B. No. 1072, HD 2
H.B. No. 1818, HD 2	H.B. No. 1121, HD 2

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 994) recommending that H.B. No. 71, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 71, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Cabanilla 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 Cabanilla's written remarks are as follows:

"Mr. Speaker, I support the intent of HB 71 HD2, but have some reservations.

"The certification process by DCCA is adding another layer of unnecessary bureaucracy from yet another agency that is killing off small business that care for our elders.

"The certification process should not be mandatory, especially for those who have been in the nursing or caring for our elders for many years.

"The certification process should be customized for requirements and needs of each segment of the nursing profession and should include a special certification process for those nurses or nurse assistants that are employed within State licensed or state certified health care settings.

"This measure should be modified to enhance consumer confidence in the nursing industry, and to promote small businesses in the industry.

"This bill gives the agencies rulemaking power and of course the devil is in the details and we do not have the rules yet to see if this will actually be beneficial to the industry in the end or harmful. 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. 71, HD 2, entitled: "A BILL FOR AN ACT RELATING TO NURSE AIDES," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Bertram voting no, and Representatives Takai, Takamine and Thielen being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 995) recommending that H.B. No. 791, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 791, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Meyer's written remarks are as follows:

"While there are no longer any federal laws mandating the blending of ethanol or MTBE into gasoline, many states have passed laws that do require it. Nationally, 40% of all gasoline sold for use in cars is blended with ethanol. But, in Hawaii 99% of all gasoline is blended with ethanol – the only unblended gas is on Lanai and Molokai.

"Thousands of Hawaii residents have suffered costly mechanical failures as a result of the ethanol mandate for gasoline. If you own a boat, a small airplane, a classic car, a lawnmower, a chainsaw, an

emergency power generator – in short, if you own anything with a gasoline-powered engine, you may have had it fail or stop running.

"You may ask, why? Why should something as seemingly innocuous as a tiny amount of ethanol in a gallon of gasoline cause so many problems?

"The first problem is that ethanol is a solvent. It degrades fiberglass fuel tanks common in marine and small airplane applications by dissolving the fiberglass resins and creating a sludge that clogs fuel filters, and leaves a thick charred coating on the valves that can ruin engines. The Federal Aviation Administration forbids small airplanes from using ethanol-blended fuel because of these problems, forcing the pilots to either ground their aircraft or break the law.

"The second problem is that ethanol attracts moisture from the air. When an engine sits unused, or is not tightly sealed against atmospheric moisture, such as in the case of marine and aviation engines, over time the increased ratio of water in the blended fuel hits a critical point, and "phase separation" occurs: the mixture breaks down into separate layers of gasoline, ethanol, and water. When the pure ethanol or water layer is injected into the engine, serious damage can occur. This rarely happens with passenger cars, since most are driven daily and have tightly sealed fuel systems that keep out moist air.

"You may well ask: how did we get into this mess? Why didn't anyone anticipate these kinds of problems?

"This situation is the result of a well-intentioned law that suffers from unintended consequences. Act 257 was passed in 1997, and required the Director of DBEDT (the Department of Business, Economic Development, and Tourism) to adopt rules to implement the law that gasoline sold in Hawaii contain ten percent ethanol by volume. This law was intended to bail out Hawaii's sugar producers by creating a more profitable market for sugar, with consumers paying the subsidy via compulsory purchases of ethanol refined from sugar cane. The other benefit would be a lowered dependence on fossil fuels. In 2004 Governor Lingle directed DBEDT to complete rule-making and implement the law. Eighteen months later in April of 2006, 99% of Hawaii's gas supply was ethanol blended.

"Several things went wrong here. First, the law took effect despite the lack of ethanol plants in Hawaii, causing refiners to import pricy ethanol. Second, the gasoline refiners and distributors decided to make 99% of their gasoline into the E10 ethanol blend (with the 1% that was pure gasoline going to Molokai and Lanai), even though the DBEDT rules allowed them to sell 15% of gasoline ethanol free.

"House Bill 791 HD1 is the only bill still alive that can address this critical problem affecting so many people. Do we really want to wait until tragedy strikes before acting?"

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

"Thank you, Mr. Speaker. In support. I appreciate the work that the previous speaker's concern on this issue. I was a little concerned to read in the morning paper where the Chairman of the Senate Energy Committee said he has no intention of hearing this bill.

"It's a matter of public safety. What we have learned in recent months and years is that small aircraft are at risk with ethanol-based fuel, or with ethanol in any fuel. We've got boats whose engines have frozen when they're out on the ocean, to say nothing of lawnmowers and grasscutters and all of those that get frozen.

"I do fault DBEDT and I have said so at the hearing. They did not prepare us for the downside of ethanol in fuel, so I think it is imperative that we do provide some ethanol-free fuel. I think the bill expires, sunsets in five years, and we need to, in that period of time,



solve the problem of what ethanol has done to small engines. 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. 791, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GASOLINE," passed Third Reading by a vote of 48 ayes, with Representatives Takai, Takamine and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 998) recommending that H.B. No. 250, HD 1, as amended in HD 2, pass 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. 250, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ALOHA TOWER DEVELOPMENT CORPORATION," passed Third Reading by a vote of 48 ayes, with Representatives Takai, Takamine and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 999) recommending that H.B. No. 832, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 832, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Magaoay rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Magaoay's written remarks are as follows:

"Mr. Speaker, I am in strong support of HB No. 832.

"Mr. Speaker, I believe that the passage of HB 832 is a necessary step in alleviating the negative effects of the closure of Del Monte Fresh Produce. The closure of Del Monte pineapple operations in Hawaii was originally set to take place in 2008. However, this past November, Del Monte announced that the closure would be "immediate" – two years ahead of schedule.

"Most of the workers know no other work but plantation work, and 90% of them are immigrants who have little to no ability to speak English. For these workers to transition to new employment will be a very difficult process. The fact that it has come two years earlier than expected only compounds the problems of these displaced workers.

"The paramount concern of these workers is housing. Currently, many employees, retirees, and their families live in plantation homes. The closure could mean that these families will lose their homes. Through the passage of this bill, the legislature can ensure that these families are able to keep a roof over their heads.

"Mr. Speaker, this measure makes appropriations for the acquisition of the housing area for eventual resale to former Del Monte employees and retirees presently inhabiting the housing.

"The plight of these displaced workers is of the utmost importance to me, and I am committed to seeing them successfully transition into new employment and secure adequate housing for them and their families. This measure will do much to facilitate such success.

"Thank you Mr. Speaker, and I ask my colleagues to support me on this bill."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 832, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Third Reading by a vote of 48 ayes, with Representatives Takai, Takamine and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1000) recommending that H.B. No. 844, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 844, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Magaoay rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Magaoay's written remarks are as follows:

"Thank you, Mr. Speaker. Mr. Speaker, I am in strong support of HB No. 844.

"Mr. Speaker, this bill addresses the purchase of real property in Wahiawa, namely Lake Wilson. This piece of property is currently owned by the George Galbraith Trust and an affiliate of Castle and Cooke Hawaii. The sole trustee of this estate has confirmed that, in accordance with laws, the trust is to terminate in April 2007, liquidate all its assets in Hawaii, and distribute assets to the beneficiaries of the trust. Accordingly, the trustee intends to sell the land that the trust owns under Lake Wilson. However, Lake Wilson remains an agricultural irrigation asset of the other half owner of the lands under the lake who is Castle and Cooke.

"Mr. Speaker, a bit of history. Lake Wilson is the largest lake and the largest sport fishery in the State. Its shoreline is nearly 20 miles long and holds approximately 3 billion gallons and includes an 8,000 acre watershed stretching from above Wahiawa. The surface area of the lake is approximately 350 acres at maximum pool and is comparable in size to Wahiawa town. The Wahiawa Dam and Water System were constructed in the 1900s for the Waialua Sugar Company and at the peak of sugar production, the water system provided up to 60 million gallons of water per day for the fields, stretching from Mokuleia to Waimea Bay. With the demise of Waialua Sugar Company in 1966, Dole's need for irrigation water is now just a fraction of the system's capacity.

"At present, the Wahiawa Dam and land under Lake Wilson are owned by Dole and the Galbraith Estate, and a siphon into a system is owned by Kamehameha Schools Bishop Estate. For many years, Dole has leased the Galbraith portions of the dam, but since Galbraith is selling off its trust lands, the lease to Dole ends in April 2007. Once the sale is finalized, responsibilities for the dam will be divided between Dole and the new owner.

"In anticipation of Galbraith's divestiture, Dole, Kamehameha Schools Bishop Estate and Galbraith began discussions on gifting the dam, lands under an adjacent to the lake and a water distribution system, which includes smaller reservoirs, ditches, pipelines, siphons, filters and other appurtenances to the State with a condition that Dole be provided an equitable amount of free water in exchange for its gift of nearly 200 acres of real property.

"Mr. Speaker, the rationale for this proposal is to identify one new owner who could fairly control the dam and water distribution among competing users, and to protect the assets of the water system which delivers irrigation water to our North Shore farmers and other tenants.

"The State is the logical choice to own and operate this system, which is in the public interest. In addition, the public enjoyment of Wahiawa Freshwater Park can be fully realized if the State becomes the owner of the lake and the regulator of its use.

"Thank you Mr. Speaker and I urge all my colleagues to support this bill "

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 844, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE PURCHASE OF REAL PROPERTY IN WAHIAWA, OAHU," passed Third Reading by a vote of 48 ayes, with Representatives Takai, Takamine and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1001) recommending that H.B. No. 1028, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1028, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Bertram rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Bertram's written remarks are as follows:

"Thank you, Mr. Speaker. I am in support of HB 1028. The bill designates the Piilani Walking Trail from Makena to Kapalua on Maui as a Hawaiian Coastal Cultural Heritage Corridor and sets aside funds to maintain and improve this important piece of history.

"It's a shame that we neglect the importance of walking, especially because of the special history of the Hawaiian Islands. What's more, walking and biking provide terrific health benefits. Many of these benefits are particularly relevant to Hawaii's population. Our State suffers from high rates of childhood obesity. Let's create communities that ensure the safety of residents while encouraging them to opt for alternative modes of transportation. I urge my colleagues to support this measure."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1028, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WALKING TRAILS," passed Third Reading by a vote of 48 ayes, with Representatives Takai, Takamine and Thielen being excused.

At 2:47 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 71, HD 2	H.B. No. 832, HD 1
H.B. No. 791, HD 1	H.B. No. 844, HD 1
H.B. No. 250, HD 2	H.B. No. 1028, HD 1

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1003) recommending that H.B. No. 1516, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1516, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising in opposition to this measure. This is making an appropriation for improvements at Keehi Lagoon to help relocate Honolulu Marine. As you know, the reason for this bill is to ensure a smooth transition of the operations of Honolulu Marine from the current ship repair facility at Kewalo Basin to a new facility on undeveloped lands next to the Keehi Small Boat Harbor.

"The reason for this transition is that the Hawaii Community Development Authority is trying to fast track the development of Kewalo Basin and needs Honolulu Marine to be out of there. The question I have is whether this is the best use of our public funds.

"Currently, this appropriation is not in the Executive Budget and it could be extremely costly when you include infrastructure, site preparation and relocation costs. Additionally, HCDA did not come out and support this bill in its testimony, but remained neutral instead. Mr. Speaker, I think we need to seek out this entire process before we go forward. I suggest caution until all questions are answered. 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. 1516, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR IMPROVEMENTS AT AND THE RELOCATION OF HONOLULU MARINE, INC. TO KEEHI SMALL BOAT HARBOR," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Meyer voting no, and Representatives Takai, Takamine and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1004) recommending that H.B. No. 1590, HD 2, as amended in HD 3, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1590, HD 3, pass Third Reading, seconded by Representative B. Oshiro.

Representative Caldwell rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I'd like to disclose a potential conflict. My firm from time to time does work for the Hawaii Association of Realtors and I know they've worked on some of these eminent domain bills in terms of drafting language. I have not worked with them or talked to them about it, but would like to disclose a potential conflict. 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. 1590, HD 3, entitled: "A BILL FOR AN ACT RELATING TO EMINENT DOMAIN," passed Third Reading by a vote of 48 ayes, with Representatives Takai, Takamine and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1005) recommending that H.B. No. 1667, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1667, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Har's written remarks are as follows:

"Mr. Speaker, I am in strong support on HB 1667, HD2. Mr. Speaker, this bill authorizes the issuance of revenue bonds for the acquisition of land to develop Kalaeloa within the former Barbers Point.

"I strongly support this bill because of the potential Kalaeloa brings to the Leeward coast. Should this measure pass, additional affordable housing, job growth, and social value can be achieved. With the increase in population within Ewa and Kapolei, Kalaeloa provides the State and residents with potential housing for moderate and low-income families. Housing surveys indicate that the demand for households earning 50 to 80 percent of the median income has gone on the rise. Very little rental housing is also available. Kalaeloa will provide for the need of housing for both the leeward coast and the Ewa districts.

"Mr. Speaker, I further support HB 1667 because of the potential job growth. With the functional airfield and the location in the Ewa

region, commercial and retail opportunities such as aviation related industries, alternative energy production, and technology research and development can become a reality. These potential job allocations will benefit the people of Hawaii and contribute to the development in the Kapolei and Ewa regions.

"Mr. Speaker, Kalaeloa offers the surrounding communities, as well the entire Ewa region with the potential of social value. With future development of houses and jobs tied with the already existing recreational facilities and schools, social value can be accomplished. Social value for any community is vital to its people; Kalaeloa presents this opportunity for the entire Ewa region. That is why Mr. Speaker, I stand with strong support of HB 1667, HD 2. 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. 1667, HD 2, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF REVENUE BONDS FOR THE PURCHASE OF LAND TO DEVELOP KALAELOA COMMUNITY DEVELOPMENT DISTRICT," passed Third Reading by a vote of 48 ayes, with Representatives Takai, Takamine and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1006) recommending that H.B. No. 1831, as amended in HD 1, pass 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. 1831, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GAME MANAGEMENT AREAS," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Pine voting no, and Representatives Takai, Takamine and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1009) recommending that H.B. No. 401, HD 1, as amended in HD 2, pass 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. 401, HD 2, entitled: "A BILL FOR AN ACT RELATING TO IMPORTANT AGRICULTURAL LANDS LOAN GUARANTY," passed Third Reading by a vote of 48 ayes, with Representatives Takai, Takamine and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1011) recommending that H.B. No. 772, HD 1, as amended in HD 2, pass 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. 772, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INVASIVE SPECIES," passed Third Reading by a vote of 48 ayes, with Representatives Takai, Takamine and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1012) recommending that H.B. No. 1114, HD 1, as amended in HD 2, pass 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. 1114, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 48 ayes, with Representatives Takai, Takamine and Thielen being excused.

At 2:51 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1516, HD 2	H.B. No. 401, HD 2
H.B. No. 1590, HD 3	H.B. No. 772, HD 2

H.B. No. 1667, HD 2	H.B. No. 1114, HD 2
H.B. No. 1831, HD 1	

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1014) recommending that H.B. No. 1221, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1221, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Awana's written remarks are as follows:

"Thank you, Mr. Speaker. I am in support. Our agriculture industry is currently experiencing many challenges. The lack of infrastructure, high cost of equipment and the scarcity of local labor sources have all negatively impacted this industry. This bill will help to alleviate these hardships by reimbursing these farmers for the cost of feed which is also increasing. Thank you, Mr. Speaker."

At 2:52 o'clock p.m., Representative Finnegan requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 3:09 o'clock p.m.

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1221, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Bertram voting no, and Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1018) recommending that H.B. No. 245, HD 1, pass 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. 245, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DESIGNATION OF A HAWAII ARCHEOLOGICAL SURVEY," passed Third Reading by a vote of 48 ayes, with Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1019) recommending that H.B. No. 252, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 252, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I rise in opposition. I guess there's always two ways of seeing things, and having some knowledge in real estate transactions and mortgage financing, with that background, I'm glad that I looked at this particular bill, Stand. Com. Rep. No. 1019, HB 252, Conveyance Taxes for Speculative Sales. What this is trying to do is curb speculative residential home sales by increasing the conveyance tax. I have a couple of issues.

"Some of our arguments up until this point have been, where purchasers in a sale, if there's any increased cost for the seller, that the purchaser actually ends up paying that in regards to increased prices. So, what this tries to do basically is for the single family

residence where the purchaser is ineligible for a county homeowner's property tax exemption, then the conveyance tax will go up.

"I have two issues with this. One is that there is a trickle-down effect that it will eventually affect purchasers in general. The reason why I say that is because the way real estate works is if one side of the equation, say the investment side, costs go up, then the availability, I guess, for the other sales to make more money, say, just a regular 'mom and pop' trying to sell their home and there's other comparables that are at higher cost, that will give them more room to charge more or to say, 'Hey, I want a higher purchasing price because this one over here sold for whatever the amount.'

"And that's why we're talking about the laws of supply and demand because it's always affected by how the demand, whether or not they want to pay those higher prices or not. That's one thing. But the other unintended consequence that I see is, I remember when we went from a little townhouse over to a regular home in Aiea about eight years ago. I cannot remember what the reason was, but we decided that we were going to just wait. Instead of turning over the homeowner's exemption, we couldn't do the homeowner's exemption on our Aiea property. So, what happened was we were ineligible for the homeowner's exemption because we had it on our other property.

"So depending upon when you consider yourself ineligible for claiming that homeowner's exemption, it's going to be hard to be able to capture that, and say, 'Okay.' So, then the seller now would not be able to be charged this increase in conveyance tax. I know it's kind of confusing, but in any case, I think that between this and the other bill that we had talked about earlier, I just don't agree with the ideas that are moving forward in those. Thank you."

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

"Thank you, Mr. Speaker. I'm in strong support. Mr. Speaker, the previous speaker talked about the law of supply and demand and the conveyance tax. Right now, 50% of it goes into the regular housing trust fund and the other portion goes into the Natural Area Reserve. The position of the HHFDC and Housing Hawaii, many of the housing advocates, Partners in Care, is that we need to make that share permanent, the 50%. And many homeless advocates and others say we should increase that amount. And this does go directly to the issue of supply versus demand.

"As I stated earlier, the Rental Housing Trust Fund goes directly to fund low income housing projects for the workforce, as well as low income. Mr. Speaker, this bill is similar to other measures we have. It simply gives people selling residential properties an incentive. If you're going to choose between someone who is going to use this home as their home, or someone who is going to take it as a vacation home, second home, or an investment property, we really, I think most of us in the State feel that given that choice, we really hope that sellers would choose the local working family that want to make this place their home.

"And, Mr. Speaker, I also wanted to point out that HHFDC has testified that right now the balance of the Rental Housing Trust Fund is, I think, approximately \$19 million. They've received requests, thankfully, for \$50 million plus in affordable rental housing projects. They really do feel an increase in their share of the conveyance tax is going to greatly benefit this State.

"And so I just wanted to end by saying that if we do not somehow increase the pie right now, like I said, the people advocating to make this change by July 2007 of this year, that the 50% share toward the Rental Housing Trust Fund is going to sunset. If we don't act now to increase the pie, increase the total amount going to conveyance tax, then we will be able to support this increase being pushed for by HHFDC and housing advocates. It will also, as I mentioned, benefit the NARS, Natural Area Reserves, so, the environmental groups, as well, support this Act. Thank you."

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

"Yes, in opposition, Mr. Speaker. I just really believe this is a tax increase on the people of Hawaii during a time that we are overtaxed. People of my district are continually shocked by their property tax increase, the GET tax increase. Everything is just going up. And this is how it really hurts people in my district, Mr. Speaker. Everyone thinks these people are wealthy, who have second homes. But I have a lot of Filipino immigrants and family in Ewa Beach.

"A person like me will be asked to sign by another family member, who perhaps has a job at Zippy's and is having a hard time getting a bank to approve a loan. Maybe a Representative might be able to get one. I don't know. But I have two homes and I'm not paying for the second one. Someone else is. But someone else needed a place to stay and needed me to sign for it.

"I know, for example, another family in my district, a Filipino family. One family member happened to make it and become a doctor. But he brought in 30 people from the Philippines, and none of them could apply for a loan. So, his name is on five of those homes.

"My grandma, for example, makes \$700 a month on her retirement. She bought a home in North Shore and Manoa when nobody else wanted to live there early, early, early 1900s, and she wants some more money so that she can just enjoy life just a little better. And now the thought of punishing my grandmother who makes \$700 a month because she just wants to sell this other property. She can't keep up with the property taxes. We're punishing her. I know we had a lot of comments about we are to punish the mainland people. But, you know what? Local people sell houses, too. Local people buy houses, too.

"This isn't about not putting money in the Rental Housing Trust Fund. I'm in 100% support of that. I actually think it's an insult that we're using the conveyance tax, which is not a guarantee to keep income going into that Fund. The conveyance only has a huge surplus when this buying and selling keeps going on. I can tell you in the 90s no one was buying and selling house, and we determined all income for the Rental Housing Trust Fund to be based on the conveyance tax we have no money for affordable housing, no money to support the environment. So, I think, if we really cared about affordable housing in Hawaii, we'd use the huge surplus that we have for a great opportunity to invest a huge portion of that into building affordable homes.

"You, know, Mr. Speaker, I didn't continue my conversation in the other one, but we were talking about the permitting process. A speaker said there that it's this great wonderful process that gives us infrastructure. In fact, he even said the people in Ewa Beach didn't want infrastructure and didn't want roads. But I do want to state for the record that I truly believe that we do have a problem with the permitting process. It has not been good for our environment. I did not agree with that. You can ask many residents that live along the coast or live in rural areas. We have not taken care of the environment.

"I want to state for the record that people of Ewa Beach do want more roads, and do want more infrastructure, but the current permitting process that we're talking about that is so great at this time, did not provide any of those things for the people of Ewa Beach."

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

"Mr. Speaker, in support. Several of the speakers seem to indicate that it's a terrible idea to have differential rates between certain kinds of sellers and buyers. I just want to point out that at the federal level for income tax purposes, short term capital gains are taxed at a much higher rate than long term capital gains for the exact same reason.

The federal government wants to discourage people from speculating the stock market and causing volatility in that market and that's exactly what we're trying to do here as well. Thank you."

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

"Thank you, Mr. Speaker. I'm in opposition to this particular measure, mainly because that it's a tax increase. But I question the imposition of the tax depending on the eligibility of the purchaser. Sometimes somebody may be coming from the mainland not owning anything, and then would not be eligible at the time of sale. But he intends to move into the house to make it his home. Or somebody who is selling two houses and to move into this one house and to make it home. So the eligibility question is very confusing to me and I'm certain some of these smart lawyers could figure this out. Thank you very much."

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

"Mr. Speaker, in support. This is another way to address the same problem of finding affordability for housing for the citizens of our State. We had one in capital gains. We have no one that deals with the conveyance tax. Where the difference comes in is if you turn to page 2 and read lines 3, 4, 5 and 6. I'll read it out to the Members: 'For the sale of a condominium or a single family residence for which the purchaser is ineligible for a county homeowner's exemption on property tax', you have to pay these different rates of conveyance tax.

"What that means is if you have someone coming in who is going to buy the home that you're selling and they are not going to claim the homeowner's exemption, which we usually claim at the time you close the transaction because of the tax benefits that you received. They are not buying that home to occupy and live in. You're buying it for speculation. And in that case, this Legislature says it's a matter of public policy. You are going to pay a higher conveyance tax.

"But if you look at what the tax is that you're going to pay on a sale of a residence with a value over a million dollars, how many people in this body are buying homes for over a million dollars. It's seventy cents per one hundred dollars. And when you calculate that out, it's not that much money. Yes, we've heard the stories about so and so's grandmother who makes \$700 a month. But we're talking about sales of large residences. The people who are not claiming a homeowner's exemption are buying it for second home and they live out of state for part of the year or for speculation. And that's exactly what we're trying to get at, Mr. Speaker. Thank you very much."

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

"Thank you, Mr. Speaker. I'm rising in opposition to this measure. This seems like discrimination to me. If you are an investor, you will pay two to three and a half times more per hundred dollar value on the property that you purchased. In the beginning we talked about speculators. We would have a real problem here in the State if we don't have enough people who had enough confidence in the real estate market in Hawaii to choose to invest in real property rather than in the stock market. Investors take a chance, it's a risk, to buy a house and they rent it to you, me, our children, somebody.

"We need a large enough inventory of rental properties. We don't have enough of them, and so, this is not going to stimulate more people who want to take a chance on real estate. It's not investor friendly. Let's just say that. It's not investor friendly. People that invested in real estate in Hawaii in the late 80s the early 90s, some bought it at the top of the market in the early 90s. They simply could not sell their properties for years because the values dropped so low, they would just take a 'bath' if they sold them. Many went into the rental business not necessarily wanting to, but they did. And when property started to go back up in value about three and a half years ago, then we had a lot of people deciding to sell their properties.

"You will hear about all the renters that had to replace carpets every two years, clean up after tenants. The Representative from Ewa talked about having an investment house and somebody else is paying the mortgage. Oftentimes somebody else is paying rent to pay for part of the mortgage, but it doesn't cover all the costs. Investing in property is an honorable thing to do and it provides a product that is in high demand. People want a roof over their heads that they can call their own. So, I think this is a form of discrimination and it is most definitely an increase in taxes. In Hawaii, we are already number five in the nation for tax burden and this is just adding to that. Thank you very much, Mr. Speaker."

Representative Pine rose to respond, stating:

"Just briefly. I just wanted to respond. My grandmother bought this house in the North Shore for \$35,000 for an acre and it's now valued over a million. She's still wearing the same dresses that she wore when I was five years old. I remember, the same ones. This will really provide a lot for her. And if the only person that steps forward to buy that house was someone from the mainland that wants it for their family to come for vacation, I don't want to take away that right to her to make that income.

"If we're targeting speculators, let's just be clear in this bill is any person that's a speculator can't buy these houses for the same tax incentives. You know, don't include local people at all."

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

"Mr. Speaker, in support. Just very briefly. I think people are making it like it's an absolute prohibition for people to buy here. It's not. It's just saying that you will be taxed at a slightly higher rate because you don't live here. It's basically an investment. So, if you're not going to be an owner occupant, then yes, we're going to charge you a little bit more taxes because you're helping to increase the value of properties that's become a problem. I really don't think it's actually this huge discrimination.

"We actually create classification all over the place and laws, and that's totally allowable because what we have here is a significant public interest that we're trying to achieve and make sure that our rental housing market, as well as our affordable housing market, stays very reasonable. Thank you."

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

"Thank you, Mr. Speaker. I was very interested in the debate on this bill. I'm in opposition. Because I do feel very deeply for our families. At these prices, my husband and I cannot afford a house in my district. Period. We cannot. Not one that will be for my baby. And so we are in a 600 square foot condo, a dog, a baby and two adults. And I don't think we could survive, except that my husband has a job that oftentimes takes him away from the apartment.

"So, I hear what we're trying to do and I think it's a noble cause and I know a lot of us are in the same predicament. But I do also know that when I've walked door to door in my district, particularly in upper Nuuanu where there are homes. The Representative from Laie persuaded me in her argument, that there are people who oftentimes when I knock on their door, they will say, 'I'm renting here and the owner lives on the mainland.' So there are four young people who vote in that house, but the owner is from the mainland. So, you know, and you want to rent a house, you want to rent an apartment, and, so, for those reasons and because I believe we already have a lot of tax burdens, I regretfully express my opposition."

Representative Finnegan rose, stating:

"Thank you, Mr. Speaker. In the interest of time, I'll just add written comments in opposition. Thank you."

Representative Finnegan's written remarks are as follows:

"Mr. Speaker, I rise in opposition to this measure. This measure will not slow down speculators; however, it will bring in more money in conveyance taxes. I do not support tax increases especially when we have over \$700 million in surplus. I believe that the Legislature is talking out of two sides of its mouth in this case."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 252, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONVEYANCE TAXES FOR SPECULATIVE SALES," passed Third Reading by a vote of 39 ayes to 9 noes, with Representatives Brower, Ching, Finnegan, Marumoto, Meyer, Pine, Sonson, Souki and Ward voting no, and with Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1021) recommending that H.B. No. 507, HD 2, pass 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. 507, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BOATING," passed Third Reading by a vote of 48 ayes, with Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1023) recommending that H.B. No. 208, as amended in HD 1, pass 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. 208, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DEVELOPMENTAL DISABILITIES," passed Third Reading by a vote of 48 ayes, with Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1026) recommending that H.B. No. 807, as amended in HD 1, pass 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. 807, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAREGIVING," passed Third Reading by a vote of 48 ayes, with Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1029) recommending that H.B. No. 843, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 843, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. In strong support. I'd also like to thank the body for their continuous support as this bill goes through, and I have written comments in the Journal," and the Chair "so ordered."

Representative Magaoay's written remarks are as follows:

"Mr. Speaker, I am in strong support of House Bill 843.

"Mr. Speaker, the Kahuku Hospital issue is of paramount concern to me. The service that Kahuku Hospital provides is of vital

importance to our communities on the North Shore. It is one of nine hospitals in Hawaii with a federal Medicare designation as a critical access hospital, which allows it to annually receive higher reimbursements amounting to about \$1,000,000 in additional revenue.

"Since opening as a small plantation hospital in 1928, Kahuku Hospital has grown into a major hospital serving around 27,000 North Shore residents. This dramatic jump has not been without some growing pains.

"In November of 2006, the Board of Directors of Kahuku Hospital voted to file for Chapter 7 bankruptcy and to close the hospital on December 31, 2006. If this closure had taken place, Kahuku would have lost its Hospital License, Certificate of Need, and the Critical Access Hospital Designation. The critical access designation is of particular concern because it is almost impossible to renew.

"This measure is intended to allow Kahuku Hospital to file a Chapter 11 reorganization and to authorize the Hawaii health systems corporation to bring Kahuku hospital under its governance. A successful reorganization would enable Kahuku Hospital to remain open and would preserve its hospital license, certificate of need, and critical access designation. As legislators of the State of Hawaii we would be remiss if we allowed this hospital to close.

"Thank you Mr. Speaker, and I ask my colleagues to support me on this bill."

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

"Thank you, Mr. Speaker. I too, am in strong support and happy that this bill is moving through. The Kahuku Hospital is so important to the rural district that I represent and the Representative from Haleiwa. 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. 843, HD 2, entitled: "A BILL FOR AN ACT RELATING TO KAHUKU HOSPITAL," passed Third Reading by a vote of 48 ayes, with Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1030) recommending that H.B. No. 1008, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1008, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I just vote with slight reservations on this particular bill. And I have spoken about this particular part of the bill before. I believe it gives the Commission the ability to seek federal waivers and such. I believe that is something that should be done within one of the departments, either Department of Human Services or Department of Health, or whatever it may be, because working with the feds is not easy. There's all kinds of guidelines and rules, and what this does is that it allows them, it says that they may seek the waiver. I don't understand how they will be able to do it. I mean if they're just going to the DHS to seek it or if they seek it themselves, the Commission seeks it themselves. I do have reservations on that part.

"I think the other thing is in the previous bill it says to have it effective by July 1, 2007, and just as a little reminder, since there is a defective date I believe on this, that let's put a program in there that would be a good one, that it gives time for the DHS to be able to put the proper safeguards and rules together to be able to do it. They

said that they would need at least six months, so if we could be reminded about that. Thank you."

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

Representative Awana's written remarks are as follows:

"Thank you, Mr. Speaker. I am in support. Children need healthcare. Healthcare is not and should not be a luxury. This bill is an active step in addressing the needs of many children who are without this need. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. In support and very brief comments. It's our chance if we're going to achieve coverage for a child is probably the most valuable thing we could do. Every child in families up to \$70,000 for a family of four will have coverage with QUEST. Any other child that's left on that for any other reason will be covered. And we finally took care of an issue at the request of the Department of Human Services Director to make sure that the newborns are taken care of, age 1 through 21. We worked with the Administration. It was a real productive dialogue. Every child will be insured. So, thank you for your support, Members."

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

"Thank you, Mr. Speaker. In support. May I have the words of the speaker from North Kona be placed in the Journal as if they were my own Mr. Speaker, this measure was passed last year and DHS had more than ample time to work with the Chair of the Committee on Health, and they had worked together, but time has passed. This is already the second year.

"This measure is of major importance because as the Representative from North Kona stated, this will cover that gap group of children. Approximately 3,000 or 3,500 as far as medical care. In addition, this will also show that Hawaii, as a State, is on the forefront of universal healthcare as it relates to our *keiki*. It is a very important bill. It's also as Majority Package bill. I strongly support this measure and I hope all Members will also support this measure. 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. 1008, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN'S HEALTH CARE," passed Third Reading by a vote of 48 ayes, with Representatives Carroll, Takai and Thielen being excused.

At 3:34 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1221, HD 2	H.B. No. 208, HD 1
H.B. No. 245, HD 1	H.B. No. 807, HD 1
H.B. No. 252, HD 1	H.B. No. 843, HD 2
H.B. No. 507, HD 2	H.B. No. 1008, HD 2

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1035) recommending that H.B. No. 1764, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1764, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"I would like to request a ruling on a potential conflict of interest. In my firm I advise HHSC on some procurement matters, but nothing related to this bill," 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. 1764, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF REVENUE BONDS TO ASSIST HAWAII HEALTH SYSTEMS CORPORATION OR ANY OF ITS REGIONAL SUBSIDIARY CORPORATIONS," passed Third Reading by a vote of 48 ayes, with Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1039) recommending that H.B. No. 627, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 627, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Caldwell rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I'd like to request a ruling on a potential conflict of interest. My wife is on the Board of Governors at Hawaii Preparatory Academy, of which I have attended and have been in the Alumni Association," and the Chair ruled, "no conflict."

Representative McKelvey rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I would like a ruling on a potential conflict. I'm a graduate of Hawaii Preparatory Academy, although not at the distant time as my colleague from Manoa," 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. 627, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR HAWAII PREPARATORY ACADEMY," passed Third Reading by a vote of 48 ayes, with Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1040) recommending that H.B. No. 1529, HD 1, as amended in HD 2, pass 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. 1529, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LEGISLATIVE SCHOLARSHIP PROGRAMS AT THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 48 ayes, with Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1041) recommending that H.B. No. 506, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 506, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"I just want to stand up in strong support. I would also like to just to say that I'm really proud that this is going through the Legislature. I think this will really help, or I hope it will help the people of Hawaii in lowering cost of gas."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 506, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ETHANOL," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Bertram voting no, and Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1044) recommending that H.B. No. 871, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 871, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Awana 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 Awana's written remarks are as follows:

"Thank you Mr. Speaker. In support with reservations.

"First, allow me to preface my comments by saying that I am a proponent of renewable energy.

"The Enterprise Zone is a joint effort at the State and county levels. The purpose of an Enterprise Zone is to stimulate job creation and economic diversification in areas where there is a high need. This program offers State and county tax reductions and other benefits such as an exemption from the general excise tax for up to seven years.

"This bill places more job creation right in the heart of where there are already many jobs and one of the main sources of economic growth in our State. In addition, there appears to be one company in our State providing sea water air conditioning. This one company is also in a position to take advantage of additional tax credits and special purpose revenue bonds. Policy that singles out businesses for preferential treatment is questionable under these circumstances. 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. 871, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SEAWATER AIR CONDITIONING DISTRICT COOLING SYSTEMS," passed Third Reading by a vote of 46 ayes to 2 noes, with Representatives Marumoto and Meyer voting no, and with Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1045) recommending that H.B. No. 1003, HD 2, as amended in HD 3, pass 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. 1003, HD 3, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading by a vote of 48 ayes, with Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1048) recommending that H.B. No. 1452, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1452, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Shimabukuro's written remarks are as follows:

"Mr. Speaker: I am in support of HB 1452. Depleted Uranium (DU) is a heavy metal. Like lead, it can contaminate water, land and air. Aside from its radioactive properties, it is a noxious chemical for human bodies. The military uses it not only in munitions, but also in the armor used to protect tanks and other combat vehicles.

"The fact that our soldiers and Iraqi civilians have been exposed to an estimated 130 tons of DU since our 2003 invasion is cause enough for alarm. Then we have the additional information that the metal has been detected in soil at Schofield Barracks, and is more than likely present at Army training grounds on the Big Island and elsewhere in our islands. As we can see, we are dealing not only with an Iraq problem. We are confronted with a local health issue!

"Legislation has been introduced in this House both last year and this year that would provide health screening for returning veterans. A bill that I introduced last year failed to pass ... although a related resolution was successful. HB 1575, on the same issue, failed to get even a hearing this year. This is indeed short-sighted on our part.

"However, passage of the bill before us, HB 1452, will be a small step in the right direction. It will at least acknowledge that DU is a true health issue, both globally and locally, that can no longer be ignored. Please join me in voting favorably on this bill."

Representative Mizuno rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Mizuno's written remarks are as follows:

"I am in support of this measure, HB 1452, Mr. Speaker. This measure is to protect the health and safety of Hawaii's residents, visitors, and military personnel and their dependents, by requiring the Department of Health to take soil, water, and air samples within 500 meters of all military bases to monitor the levels of depleted uranium.

"Depleted Uranium (DU) can be found from military defensive armor plate and from armor penetrating military ordnance, where munitions are used.

"Impact zones should be monitored where quantities of DU have been found via the ground water or food chain. Usually areas of exploded and unexploded projectiles have high levels of DU dust or metal fragments.

"DU dust can damage the kidneys and cause renal failure, lung cancer, other various types of cancer, and may adversely affect the reproductive system and cause developmental problems.

"For all of the foregoing reasons, I respectfully ask Members to favorably consider this measure."

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

"Mr. Speaker, I'm in support with strong reservations. The way the bill is written now, it would require that the Department of Health take soil samples, air samples 500 feet from the perimeter of any military base. I think they felt it would cost over \$5 million a year.

"In the Finance Committee we heard testimony and a lot of sort of anecdotal information about what was found out at Schofield, and there was someone there from the Department of Health. As I say, I'm in support, but I don't know exactly what we're dealing with here because I don't think any of us have seen the report that the Department of Health was supposed to get from the military. It's not something you can take lightly, but it's just the way the bill is written out, so broad, and be so expensive to the State of Hawaii, that those are my reservations."



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

"Mr. Speaker, thank you. In strong support with brief comments. Mr. Speaker, this measure is about insuring the health and safety of the people of Hawaii. With all due respect to the previous speaker, what we've learned in the Finance Committee was appalling.

"Here's what we know based on a January 2006 article in the *Honolulu Advertiser*, something that the Army confirmed. In August of 2005, 15 tail assemblies from spotting rounds made of D-38 uranium alloy, also called depleted uranium, were found by the Army's own engineering company. Since that time, 19 months, there has been no independent study.

"In the Finance Committee, a representative from the Department of Health did state that a report from the military is forthcoming. What we don't know is when that report is coming out. Notwithstanding the slow pace of the Administration, I think we, as the legislative body, should not have to take the responsibility of protecting the health and safety of the people of the State. While the measure is not perfect, it should move forward. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I have just very brief comments in strong support. I think that in times of war and in a state where we're doing a lot of extra training where we're very focused on preparing our soldiers for two battlefronts that are abroad, that we can't be too safe with the health of our constituents. I think that a lot of people have spoken up and asked us to pursue testing. So, I do hope that we will pursue this testing and I do look forward to hearing from the advocates in this regard. Thank you, Mr. Speaker."

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

"Mr. Speaker, I rise in support, with reservations. Mr. Speaker, we also learned in the Finance Committee that this bill is really written a bit upside down, because it's so far away and so remote that they could find anything 500 feet outside of the base. One expert said it is ridiculous. It was a needle in a haystack that we were going to find. And then asking for us to report every three months was even on top of that. So, if we're serious, we will fix this thing and specify we're going inside of the bases where the explosion took place in Schofield. Otherwise, we're just playing around and making people look like we're trying to do something. 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. 1452, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 48 ayes, with Representatives Carroll, Takai and Thielen being excused.

At 3:40 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1764, HD 1	H.B. No. 871, HD 1
H.B. No. 627, HD 1	H.B. No. 1003, HD 3
H.B. No. 1529, HD 2	H.B. No. 1452, HD 1
H.B. No. 506, HD 1	

At 3:41 o'clock p.m., Representative Meyer requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 3:42 o'clock p.m.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1049) recommending that H.B. No. 966, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 966, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"I just want to voice my opposition to this measure. Most of the contractors, I think many of them are doing a good job and I think the current licensing board is doing a good job.

"I'm concerned about this constant thing that's been going on since the Governor's been in office. There's been over 109 bills since the Governor became our Governor, the first Republican in many years. Over 109 bills have been introduced by this Legislature to take away her powers as Governor, and this is one of those 109. We even were so bold to say that these bills would sunset in 2010 when she can no longer run for office as a Governor again. And so, it's for that reason that I vote against this, Mr. Speaker.

"This year alone, there's 36 bills that's been introduced that takes away her power, and I think 109 ... When are we going to stop? It's been said that we can move above partisanship on this House Floor. We're having a hard time being convinced of that."

The Chair then stated:

"Representative Pine, would you confine your remarks to the bill before you. It is not 109 bills. It is the one bill that is before this body."

Representative Pine continued, stating:

"I apologize, Mr. Speaker. That's all I have to say. 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. 966, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTORS," passed Third Reading by a vote of 41 ayes to 6 noes, with Representatives Ching, Finnegan, Marumoto, Meyer, Pine and Ward voting no, and with Representatives Manahan, Saiki, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1050) recommending that H.B. No. 639, HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 639, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Meyer 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 Meyer's written remarks are as follows:

"Mr. Speaker, I'm am in support with serious reservations. I voted against the bottle bill every time it was up for a vote. No other state has passed a deposit beverage container law for 18 years. The bottle bill is an old idea, expensive to run, that reduces garbage volume going into the landfill by a mere 3%. Other states have gone to comprehensive recycling which includes beverage containers, cardboard, paper, and green waste all picked up at curbside. Hawaii was already doing a good job recycling aluminum because people would make a little money on the scrap value of the aluminum.

"Our bottle bill is inconvenient, costly, and creates a hardship for senior citizens."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 639, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SOLID WASTE," passed Third Reading by a vote of 47 ayes, with Representatives Manahan, Saiki, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1052) recommending that H.B. No. 1912, pass 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. 1912, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST BIODIESEL PROJECTS FOR ELECTRICAL GENERATION ON THE ISLAND OF MAUI," passed Third Reading by a vote of 47 ayes, with Representatives Manahan, Saiki, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1056) recommending that H.B. No. 426, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 426, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Lee rose in support of the measure 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 am in support of this measure.

"Without this bill there will continue to be unnecessary delays which plague patients who are in need of psychotropic medications. This is especially true in rural areas where there is a shortage of physicians. Studies show that untreated psychosis may be toxic to the brain and results in poorer outcomes than prompt treatment with the new generation antipsychotic medications. Research also shows that getting medication to people before they experience long periods of psychotic symptoms could increase their chances for a full recovery.

"Hawaii psychiatrists support this bill as they are aware of the good work done by Advanced Practice Registered Nurses. HB426 notes that APRNs already have prescriptive authority under Chapter 457 and thus, this bill would enable APRNs to provide efficient and cost effective care to a more comprehensive group of patients. In a rural clinic a nurse practitioner would not only have the necessary background to prescribe but would most likely be able to treat shock, read EKGs, know CPR and ACLS algorithms and protocols and be ready to care for a patient who experiences adverse effects of strong psychotropics. This is not necessarily true of a psychologist.

"As a final note, Advanced Practice Registered Nurses are appropriately educated and licensed to treat mental disorders. To disregard their ability to prescribe would be to discriminate against Medicaid beneficiaries and to reinforce the barriers existing to the practice of APRNs. I urge my colleagues to support this measure. 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. 426, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PSYCHOTROPIC MEDICATION," passed Third Reading by a vote of 47 ayes, with Representatives Manahan, Saiki, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1057) recommending that H.B. No. 456, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 456, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I'm standing on Stand. Com. Rep. No. 1057. Mr. Speaker, I just have reservations on this bill. I believe the DHS testified saying that this is already paid, the emergency contraception exemption is already paid by Medicaid. I guess I just wanted to voice my reservations being that it's already been paid by Medicaid. Thank you."

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

"Thank you, Mr. Speaker. In support. Just for clarification, when medicines become over-the-counter, a lot of times they're not covered by anything. Basically, you're paying out-of-pocket for them. So the transition for medicines like emergency contraception, in this case, when it becomes an over-the-counter medicine means that someone will have to pay for it. Although it's generic, it's less expensive, it still might be very expensive for someone who otherwise would be on Medicaid.

"As the speaker from Ewa Beach had mentioned earlier today, a lot of people living on \$700 or less. Our grandmothers won't be using this emergency contraception, but a lot of other women would be. And I do think that we have to make sure everyone has equal access to medications. Thank you, Mr. Speaker."

Representative Finnegan rose to respond, stating:

"Thank you, Mr. Speaker. This digest might as wrong, which it could be. It says Medicaid already covers this. No out-of-pocket expenses on the part of the Medicaid recipient is required on over-the-counter purchases. Medicaid recipients are able to obtain after consultation with the pharmacist. So, I'm still just kind of little confused, I guess."

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

"I stand in support of this bill, HB 456. I think the point is that when the FDA made this over-the-counter, they also made it clear that medical consultation with either a physician or a pharmacist was not necessary. So there's an access problem here. Although the Department of Human Services had said they will work to make sure that Medicaid women don't have to pay \$45 up front to get their drug over-the-counter, it's not worked out yet. So, I hope this bill can be passed to make sure that the Department of Human Services follows up on their promise."

Representative Lee's written remarks are as follows:

"Mr. Speaker I am in support of this measure.

"Mr. Speaker, in 2005 the Federal Food and Drug Administration approved the emergency contraceptive, Plan B, for over-the-counter sale without a prescription. This gave women another option to avoid unplanned pregnancies. Unfortunately, these tablets can cost \$45 up front or more and therefore deny access to a group of our citizens, women who are on Medicaid. This bill, seeks to directly reimburse the sellers of over-the-counter Plan B emergency contraception to women who are recipients of Medicaid, without incurring out-of-pocket expenses for recipients. The DHS says it will make provision to provide for Medicaid recipients, however, this has not been done yet! Therefore, this bill will ensure our female

population can have the needed access to this medication so that unplanned pregnancies can be prevented.

"I urge all of my colleagues to support this Women's Caucus measure. 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. 456, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAID," passed Third Reading by a vote of 47 ayes, with Representatives Manahan, Saiki, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1060) recommending that H.B. No. 1907, as amended in HD 1, pass 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. 1907, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," passed Third Reading by a vote of 47 ayes, with Representatives Manahan, Saiki, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1063) recommending that H.B. No. 93, HD 1, as amended in HD 2, pass 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. 93, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BUILDING CODES," passed Third Reading by a vote of 47 ayes, with Representatives Manahan, Saiki, Takai and Thielen being excused.

At 3:48 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 966, HD 1	H.B. No. 456, HD 1
H.B. No. 639, HD 2	H.B. No. 1907, HD 1
H.B. No. 1912	H.B. No. 93, HD 2
H.B. No. 426, HD 2	

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1065) recommending that H.B. No. 273, as amended in HD 1, pass 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. 273, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ANNUITIES," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1067) recommending that H.B. No. 1948, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1948, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I stand in strong support of Stand. Com. Rep. No. 1067, H.B. 1948, HD2. Mr. Speaker, this bill will allow for the creation of Aha Moku Councils, based on *ahapuaa* management system, and I urge my colleagues to please give this bill a chance. We still need to massage it and we would like to have more discussion on it as this measure moves forward. Thank you."

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

"Thank you, Mr. Speaker. I stand in strong support for Stand. Com. Rep. No. 1067, H.B. 1948, relating to Aha Moku. If I may just include a few short comments. The Aha Moku will provide assistance to governmental agencies on understanding and/or deciding upon the use of natural resources within a given area. Who better to present insight and information than individuals who have knowledge within each Moku? I've been told to go to the source for information. In this case, this bill is that vehicle and our Aha Moku will be that source. Thank you, Mr. Speaker."

Representative McKelvey rose in support of the measure and asked that the remarks of Representative Awana be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1948, HD 2, entitled: "A BILL FOR AN ACT RELATING TO NATIVE HAWAIIANS," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1068) recommending that H.B. No. 13, as amended in HD 1, pass 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. 13, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1069) recommending that H.B. No. 24, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 24, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, may I speak on Stand. Com. Rep. No. 1069? Thank you, Mr. Speaker. In opposition. This measure provides for a \$410 increase to teachers who go to this National Board Professional Teaching Standards. I believe, Mr. Speaker, that the number one deterrent to good education is poverty. This is my third term in this Chamber, and all I've heard is a lot of incentive for teachers, either for equipment, retention, and now for further education. I do recognize that our public education system needs some fixing, but all we've done in this Chamber is to throw money and benefits and we have not seen any result.

"What I would like to see that we should go for is accountability, to all these benefits that we're throwing, that we do see an improvement in our public schools. I think the amount of increase is not needed at this time or it's too premature. We should see the outcomes of all those benefits and increases that we have given previously, and we should lean towards accountability for all these benefits. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. On that same measure, strong support. These restructuring schools need good teachers, especially when we're talking about rural schools. I stand in strong support because incentives bringing them to the rural schools. We would like to understand the wonderful things that there are at rural schools, and

sometimes distance between living in town and living in Waianae is a challenge, but with a little bit of incentive they will give it a chance, so I stand in strong support."

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

"Thank you, Mr. Speaker. In strong support. As you know, Mr. Speaker, there are 155 teachers that have National Board certification. This would allow each of them to receive an additional \$5,000 if they choose to go to a school that is currently in restructuring. The good, or bad news, any way you look at it is that by the year 2014, a full 100% of the schools in Hawaii will be in restructuring if the law currently continues the way it is. So everyone will be given the \$5,000 bonus, I suppose.

"As you also know, Mr. Speaker, in 2004 we passed Act 51. We put into statute a \$5,000 bonus for those who achieve this certification, which would mean that if a teacher today currently is in a school that is in restructuring and does not have the certification, he or she would be able to get an additional \$10,000 a year should they choose to stay in that school or move to such a school.

"Mr. Speaker, there's been research that have shown that if all the certifications, whether it's graduate degrees or professional development, the National Board Certification is the one benchmark that leads to improved student achievement. That is the whole intent of this bill. Thank you, Mr. Speaker."

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 24, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TEACHERS," passed Third Reading by a vote of 48 ayes to 1 no, with Representative Cabanilla voting no, and Representatives Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1070) recommending that H.B. No. 375, as amended in HD 1, pass 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. 375, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PEDESTRIANS' RIGHT OF WAY," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1072) recommending that H.B. No. 670, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 670, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I rise in support of this bill, but I do have slight reservations. As I was working on this bill, I realized the importance for the University of Hawaii Foundation to be able to have or grant the donor anonymity. I think oftentimes what we try to do is strike a balance between transparency and, for instance, this particular part has to do with donations. Somebody requests to be anonymous or else they won't give money. So, oftentimes what we're trying to do is balance that.

"And being that there is a transparency issue in regards to this, my reservation is that it just doesn't seem right to allow people to go without having the transparency information to whatever they are

donating, because oftentimes what will happen is, you just don't know whether or not there was something in return that they were getting for making the donation. That's why we're requesting for transparency. But on the other hand of this, you've also got the situation where people just don't want to have their information be provided and if it is provided, then maybe they won't give. And so, as we try to figure that out, I have reservations."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 670, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INFORMATION PRACTICES," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1073) recommending that H.B. No. 931, as amended in HD 1, pass 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. 931, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOPEDES," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1075) recommending that H.B. No. 1503, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1503, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I rise in opposition to H.B. 1503, HD 1. H.B. 1503, the Dislocated Workers Act requires employers to give 60 days notice to their employees, the union representatives if there is one, and the Department of Labor, if a divestiture occurs involving a sale, transfer, merger or any change of ownership interest. It also defines a closing for purposes of this Act to include bankruptcies and other closing for economic reasons, which may result in the termination of the workers.

"Right now, businesses under the State Dislocated Workers Act, are not required to provide notice to the employees of any sale, merger or change of ownership, unless it results in the termination or layoff of the workers. Likewise, employers covered by the federal Warren Act, of those with a hundred or more employees, are not required to provide notice to employees of a merger, sale, or change in ownership, unless there is a potential that an employment loss involving 50 or more employees will occur because of the transaction.

"Business leaders usually attempt to keep mergers and change of ownership transactions confidential because changes may negatively affect customer, vendor and creditor relationship. The notice requirement for change of ownership transactions will make it very difficult to sell and purchase businesses in Hawaii. Additionally, Hawaii businesses are not currently required to provide Dislocated Workers Act notices or layoffs and terminations resulting from bankruptcies, loss of a lease or operating losses. Many borderline businesses cannot tell from one day to the next whether they will be in business 60 days into the future.

"This bill will require faltering businesses to give that 60 day notice to the workers if there is a potential for bankruptcy or business closure due to operating losses. As a result, the workers will look for employment elsewhere. The federal Warren statute has a faltering company exception, which provides that a borderline company may provide less than 60 days notice of layoff if it could show that it was actively seeking capital or was in negotiations designed to maintain the business during the 60 day period before the layoffs or

terminations and believed in good faith that such efforts would enable it to avoid a closing.

"We want to keep these businesses and we want to keep these jobs. In such circumstances, the employer is only required to give reasonable and practical notice of the closing rather than the 60 days. The Director of Labor proposed an amendment which included a provision similar to the faltering company exception under the federal Act, but the proposal was not adopted by the House Judiciary Committee. The new requirement will push many companies into bankruptcy or closure because once the 60-day notice is given employees are likely to scatter, seek employment elsewhere and the news of the potential closure will damage relations with customers, vendors, and creditors of the company. I feel that this bill is a very bad idea and will need an amendment. 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. 1503, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT," passed Third Reading by a vote of 43 ayes to 6 noes, with Representatives Ching, Finnegan, Marumoto, Meyer, Pine and Ward voting no, and with Representatives Takai and Thielen being excused.

At 4:00 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 273, HD 1	H.B. No. 375, HD 1
H.B. No. 1948, HD 2	H.B. No. 670, HD 2
H.B. No. 13, HD 1	H.B. No. 931, HD 1
H.B. No. 24, HD 1	H.B. No. 1503, HD 1

At 4:00 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 4:01 o'clock p.m. with Vice Speaker Karamatsu presiding.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1076) recommending that H.B. No. 1518, as amended in HD 1, pass 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. 1518, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DESIGN PROFESSIONALS," passed Third Reading by a vote of 48 ayes, with Representatives Mizuno, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1081) recommending that H.B. No. 963, HD 2, pass 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. 963, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Third Reading by a vote of 48 ayes, with Representatives Mizuno, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1084) recommending that H.B. No. 1009, HD 1, pass Third Reading.

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

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

"On Stand. Com. Rep. No. 1084, this is relating to claims against the State and it's dealing with the substitute teachers. I'm going to vote no on this. They've been in litigation for some time. I'm in opposition. I don't think there is any question that the substitutes have not been treated well, and I think that the court will find in their favor. I just think that we should let that play out and the State will have to pay. This bill is like we're changing the rules in the middle of the game. I'd just feel more comfortable if we stay out of it and let this court case be decided. Thank you."

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

"Mr. Speaker, I'd like disclose a potential conflict. My firm is representing the substitute teachers in the class action litigation, but I'm not working on it," and the Chair ruled, "no conflict."

Representative Sonson rose to disclose a potential conflict of interest, stating:

I'd like a ruling of a potential conflict. I'm also in litigation with the firm," 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 Third Reading by a vote of 46 ayes to 2 noes, with Representatives Meyer and Sonson voting no, and with Representatives Mizuno, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1085) recommending that H.B. No. 1023, pass 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. 1023, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE V, SECTION 1, OF THE HAWAII CONSTITUTION, TO CHANGE THE AGE QUALIFICATION FOR THE OFFICES OF GOVERNOR AND LIEUTENANT GOVERNOR FROM THE AGE OF THIRTY YEARS TO THE AGE OF TWENTY-FIVE YEARS," passed Third Reading by a vote of 44 ayes to 4 noes, with Representatives Green, Hanohano, Meyer and Sonson voting no, and with Representatives Mizuno, Takai and Thielen being excused.

H.B. No. 1023 passed Third Reading in the following form:

#### **H.B. No. 1023**

A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE V, SECTION 1, OF THE HAWAII CONSTITUTION, TO CHANGE THE AGE QUALIFICATION FOR THE OFFICES OF GOVERNOR AND LIEUTENANT GOVERNOR FROM THE AGE OF THIRTY YEARS TO THE AGE OF TWENTY-FIVE YEARS.

#### **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

SECTION 1. The legislature finds that amending the Constitution of the State of Hawaii to allow Hawaii residents, twenty-five years and older, to be a candidate for and hold the office of governor or lieutenant governor will inspire Hawaii's young people to participate in the leadership process. There are many outstanding, qualified, and experienced candidates under thirty who are unable to run for the office of governor or lieutenant governor because of the current arbitrary age restriction of thirty years.

While there are many successful entrepreneurs, military leaders, and elected officials who are under the age of thirty, young people are generally more disillusioned with government, and feel they are

excluded and are not a part of the process. Lowering the age to twenty-five for Hawaii's top elected officials will inspire young people, who will realize the door is open and the opportunity is there for them to represent our state as governor or lieutenant governor.

The legislature further finds that a twenty-five year old, according to the United States Constitution, is qualified to run for and be elected to Congress, and therefore has the power to declare war, sending hundreds of thousands of American sons and daughters into combat, risking their lives. Thousands of Hawaii soldiers of all ages recently returned from Iraq, and many of these returning veterans are young people who feel inspired from the experience to serve Hawaii in a leadership position.

The purpose of this Act is to propose an amendment to article V, section 1, of the Constitution of the State of Hawaii to reduce the age qualification for the office of governor from thirty years to twenty-five years. This amendment will also reduce the age for the lieutenant governor, as the qualifications are the same for both offices, as stated in article V, section 2.

SECTION 2. Article V, section 1, of the Constitution of the State of Hawaii is amended to read as follows:

**"THE EXECUTIVE  
ESTABLISHMENT OF THE EXECUTIVE**

**Section 1.** The executive power of the State shall be vested in a governor. The governor shall be elected by the qualified voters of this State at a general election. The person receiving the highest number of votes shall be the governor. In case of a tie vote, the selection of the governor shall be determined as provided by law.

The term of office of the governor shall begin at noon on the first Monday in December next following the governor's election and end at noon on the first Monday in December, four years thereafter.

No person shall be elected to the office of governor for more than two consecutive full terms.

No person shall be eligible for the office of governor unless the person shall be a qualified voter, have attained the age of ~~thirty~~ twenty-five years and have been a resident of this State for five years immediately preceding the person's election.

The governor shall not hold any other office or employment of profit under the State or the United States during the governor's term of office."

SECTION 3. The question to be printed on the ballot shall be as follows:

"Shall the age qualification for the office of governor and office of lieutenant governor be reduced from thirty years of age to twenty-five years of age?"

SECTION 4. Constitutional material to be repealed is bracketed and stricken. New constitutional material is underscored.

SECTION 5. This amendment shall take effect upon compliance with article XVII, section 3, of the Constitution of the State of Hawaii.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1090) recommending that H.B. No. 1277, HD 1, as amended in HD 2, pass 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. 1277, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAX CREDITS," passed Third Reading by a

vote of 48 ayes, with Representatives Mizuno, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1091) recommending that H.B. No. 1659, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1659, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan 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 Finnegan's written remarks are as follows:

"Mr. Speaker, I am in support with reservations on this bill to provide that any moneys received by, on behalf of, or for the benefit of a government body pursuant to solicitation of funds by the government body to cover the costs and expenses of a State sponsored enterprise, including trips and other endeavors to generate business opportunities and goodwill for the State, shall be deposited into the general fund and dispersed pursuant to legislative appropriations.

"Mr. Speaker, I believe this is meant to address issue the fundraising efforts made by the Department of Business, Economic Development, and Tourism for Sister State Relationship Mission Trips with China and the Philippines. There was only testimony in opposition, none in favor, and this bill passed anyway. I believe these international trade or sister state relationships are usually created by the Legislature. The Administration was doing its best to help fulfill the intent of these relationships without having enough monetary support through legislative appropriations. Let us take the time to find a better solution."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1659, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Third Reading by a vote of 44 ayes to 4 noes, with Representatives Ching, Marumoto, Meyer and Ward voting no, and with Representatives Mizuno, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1092) recommending that H.B. No. 1923, HD 1, as amended in HD 2, pass 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. 1923, HD 2, entitled: "A BILL FOR AN ACT RELATING TO STATE ENTERPRISE ZONES," passed Third Reading by a vote of 48 ayes, with Representatives Mizuno, Takai and Thielen being excused.

At 4:04 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1518, HD 1	H.B. No. 1277, HD 2
H.B. No. 963, HD 2	H.B. No. 1659, HD 2
H.B. No. 1009, HD 1	H.B. No. 1923, HD 2
H.B. No. 1023	

**LATE INTRODUCTION**

Representative Say, on behalf of Vice Speaker Karamatsu, introduced Mr. Sean Asai, a 10th grade student at Pacific Buddhist Academy. He was accompanied by Ms. Jennifer Nakanishi, Legislative Aide to Vice Speaker Karamatsu.

**UNFINISHED BUSINESS**

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1094) recommending that H.B. No. 1614, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1614, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Meyer's written remarks are as follows:

"I strongly support this bill to appropriate additional funds to the Attorney General's Office for the nuisance abatement unit. This unit is helping to shut down drug houses. The appropriation would be used to fund more positions for this extremely effective office. This is a good use of our tax dollars."

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

Representative Awana's written remarks are as follows:

"Thank you, Mr. Speaker. I am in support. The United States continues to gain momentum on the war on drugs in decreasing the availability and trafficking of illegal drugs. The coordinated enforcement effort of the Drug Nuisance Abatement Unit has proven to work in our communities. It is important that our children live in an environment that ensures their safety and well-being. The Drug Nuisance Abatement Unit through the Attorney General's Office in coordination with other federal, State and county officials is participatory in laying the foundation of this concern."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1614, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DRUGS," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1096) recommending that H.B. No. 1525, as amended in HD 1, pass 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. 1525, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A GRANT TO WEST MAUI SOIL AND WATER CONSERVATION DISTRICT," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1099) recommending that H.B. No. 1719, HD 1, pass 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. 1719, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX," passed Third Reading by a vote of 48 ayes to 1 no, with Representative McKelvey voting no, and Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1100) recommending that H.B. No. 1757, HD 1, pass 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. 1757, HD 1, entitled: "A BILL FOR AN

ACT RELATING TO TRANSPORTATION," passed Third Reading by a vote of 48 ayes to 1 no, with Representative Rhoads voting no, and Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1104) recommending that H.B. No. 195, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 195, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Cabanilla rose to disclose a potential conflict of interest, stating:

"I would like to state a potential conflict, Mr. Speaker. One of the proponents of this measure is my campaign manager," 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. 195, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE HAWAII CIVIL AIR PATROL," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1108) recommending that H.B. No. 724, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 724, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I rise with reservations on this measure. This is the bill that is part of the 'train tax' which right now does not go to the airport, Manoa, or really anywhere yet. I know that's not germane to the bill, but it's on the minds of a lot of the people of this State, particularly this county.

"This measure is good in the sense that it reduces the ten percent 'take'. The State has a surcharge, on top of the surcharge, which when it was estimated to be \$150 million, we would get \$15 million. That's the ten percent cut. This bill reduces it to five percent, and therefore only gives us a cut of \$5 million. The reality is it takes \$5 million for us to set up this system in the Department of Taxation in order to process the tax. But according to the Finance Committee testimony, it takes only \$1 million per year, or \$2 million for the biennium to actually do this. That means we're siphoning off another \$3 million from the taxpayers to go into the tax coffers and not into the coffers of the City and County to build the rail, for the train that doesn't go anywhere yet.

"This is better than what it used to be, but it's not good enough. So what this bill does, it tries to get the train moving down the track, but I think it's coming not fast enough or in the right direction right now. Thank you, Mr. Speaker."

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

Representative Cabanilla's written remarks are as follows:

"Mr. Speaker, I am in support of HB 724 HD1. Numerous colleagues voted no to HB1309 in 2005 that permitted the City and County of Honolulu's City Council and Mayor's Administration to embark upon transportation relief measures.

"The City chose rail as the alternative. However, the State collects 10% of the tax to process the collection. The naysayers that voted no

to HB 1309 used the 10% fee retained by the State as an excuse to not support rail.

"This measure will appease and promote solidarity whereby the tax collected is not a 'cash cow', but a more realistic approach. For instance, the City retains 2% of impact fees collected by the City for the State to expend on 6 transportation projects within the Ewa Plain. Why does the State need 10%?"

"This bill is the answer. The Ewa Neighborhood Board voted to support this measure on February 8, 2007. Please pass to the Senate, HB724 HD1."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 724, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COUNTY SURCHARGE ON STATE GENERAL EXCISE TAX," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1110) recommending that H.B. No. 1605, as amended in HD 1, pass 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. 1605, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC CONTROL," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

At 4:09 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1614, HD 2	H.B. No. 195, HD 2
H.B. No. 1525, HD 1	H.B. No. 724, HD 1
H.B. No. 1719, HD 1	H.B. No. 1605, HD 1
H.B. No. 1757, HD 1	

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1112) recommending that H.B. No. 1670, HD 1, as amended in HD 2, pass 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. 1670, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE INGENUITY CHARTER," passed Third Reading by a vote of 42 ayes to 6 noes, with Representatives Ching, Finnegan, Marumoto, Meyer, Pine and Ward voting no, and with Representatives Takai, Thielen and Yamane being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1113) recommending that H.B. No. 764, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 764, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I oppose Stand. Com. Rep. No. 1113. It would set up an absentee voter permanent structure. I spoke on this at Second Reading and I really had doubts whether people really would be honest about voting one ballot if more than one came to their home. Because of so much transient population, oftentimes among households you will get ballots for people who have moved out or who have been deceased. It's very tempting to be able to vote more than once. The permanent process takes a lot of work to keep it up to date. I don't think we purge our voter list frequently enough to keep it clean. Because I have these doubts, I really feel that we should go slow on this. I urge all people to vote no. Thank you."

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

"Thank you, Mr. Speaker. I'm also in opposition to the measure. I think that what this measure seems to do, and I remember from Second Reading that the idea of increasing voter participation was one of the goals with this particular of this piece of legislation. If that is the case, we do have one of the lowest, if not the lowest, voter participation in the United States. However, like with most things you always want to look at the root of the problem, and are we really looking at the root of the problem.

"Are we doing our best to make sure people understand how relevant what we do here and political process is to them and how to get involved? The fact is that it is very easy to absentee vote today. The problem is that as most of us, I'm hoping, would be willing to admit is that the list at this time is not a perfect list. It's very imperfect. Exceptionally imperfect. There are so many people on the list and inaccuracies, so would you want to make that sort of inaccuracy permanent or do you want to shore-up the list, make sure it has integrity and then move on?"

"So, my question is: Am I getting to the root of the problem? I don't think we are. I think we're side stepping it and we're opening it up to, as the Representative from Laie said on Second Reading, mischief. I'd hate to have that. You know, it's a running joke. Chicago. How many dead people vote? We don't want to be known as that. So, to me, until the list is really something that we can be sure of, I'd hate to encourage more mischief. Thank you."

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

"Thank you, Mr. Speaker. I rise in strong support for this bill. I've spoken to the County Clerk on Kauai and when I first read the bill, I thought that they may have concerns. I think what the counties are trying to do is to make sure that it's as easy as possible for people to continue to vote. And if you look at the voter registration for the absentee list, the same people continue to do that because it's easier for them, senior citizens especially, to sit down in their home, watch the public channels that have the candidates on, and make their decisions that way.

"So, I know that the county clerks have been working hard on this and I urge everyone to support this bill, and to spend time with your elections divisions in your county. Because when we do that, we can have a better idea of what they are doing and the work that they are trying to do. But to give examples of people who are dead in Chicago. That may happen here, but we have a lot of good people that work in these divisions and I think that if we spend time with them, we'll try to understand that they are trying to do the best thing for us to have as many people vote as possible. Thank you, Mr. Speaker."

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

"Mr. Speaker, I'm in strong support. I can't understand why anyone in this body would be against this measure. I think it tries to address the problem of very low voter turnout. In the elections of 2000 to 2004, we stand at the bottom. Our State is at the bottom of the nation in terms of voter turnout. In the 2006 election, we sunk to 53% of registered voters, which equals only 39% of eligible voters in our State, Mr. Speaker. Not a very proud statistic as Members that got elected in that election. We want to see more people voting.

"In the Primary Elections in 2004 and 2006, it was particularly dismal. It was around 40% of those who voted. 53%, 40%, 39% — if these were math scores, we'd all be flunked out. Mr. Speaker, we need to look at more voter-friendly type of measures, whether it be clean election, voter-owned elections, which is another measure that's



moving. Or whether it be same day registration, all of these efforts get to the root of the problem.

"In the past six years in our State, absentee voting has jumped by more than 50%. Without absentee voting, the number of people participating in our elections would even be less. And we want to make sure that that continues to grow. So this expands on this on those positive statistics.

"Now we've heard a bunch of things about Chicago and we've heard about Mayor Daly's, 'Vote early, vote often', but, Mr. Speaker, this measure has safeguards: One, you will be terminated from the absentee voter list, your name will be deleted, if the voter register is in another area. And two, if the notification postcard that is mailed to every absentee voter is returned, your name is deleted because you're no longer there. Or if the ballot is not received by the election deadline, you're not voting, you're taken off. So, all that we need are for voters to vote.

"It makes it easier, particularly for our seniors, who are 70s, 80s and 90s, not to go out and fill out another application. Their name is registered and they continue to vote.

"Now I will tell you what other countries do, Mr. Speaker. Australia would slap you with a fine for not casting a ballot. But they put incentives. They sell sausages outside the polling booths, hamburgers, doughnuts to get people come and vote. You face possible imprisonment in Chile if you don't vote. You cannot get a passport or driver's license in Greece if you don't vote. You have to show that you voted. In Bolivia, the great democracy, you don't get your salary if you don't vote, but we don't need to go there. You have the right in our country, in a true democracy, not to vote at all and give 39% of the people the right to vote and decide very important matters affecting our community. It's about getting people to vote. I think everyone should reconsider. They should say, 'yes' and let it go on and continue this debate. Thank you, Mr. Speaker."

Representative Ching rose to respond, stating:

"Thank you, Mr. Speaker. I'm still in opposition, Mr. Speaker. It's all well and good that you get penalized, or if you weren't there. But there still many inaccuracies with the current list as it is now. And so the truth is that once again, if you were to poll or to ask people in the State of Hawaii why aren't they voting, why aren't the people of the State of Hawaii voting. Perhaps, we should ask the people of Hawaii why they are not voting. In World War II time, people voted because that is part of their civic duty. And they don't have to go with the kind of argument of a dictator to mention extremes of forcing people to vote.

"Again, it's about showing what is the benefit derived. So, again, Mr. Speaker, I encourage education for our people to understand how relevant it is. To really make them feel that they are part of the process, but the practical reality of it is that those are not checked. I will tell you now I know those lists are not really, really clean and sound. They're not. And so the thing is why would you want to lock into that and create more inaccuracies. It's just not right. We have to get to the root of the problem. Thank you."

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

"Thank you, Mr. Speaker. In opposition with some comments. I agree with the previous speaker from Liliha that education and civic responsibility is, I think, my preferred way to go. I think another reason why people don't vote, sometimes they tell me they just, you know, don't ever believe their trust in government, and we're working on that with ethics bills doing the right thing. I also believe that voting is a responsibility and a privilege. And easier doesn't necessarily mean better.

"In regards to, and I know what we're worried about is stray ballots. Ballots out there may be two or three, or those sent out when

people are dead and the ballots still get sent out to their homes. I had a real life experience when I was going door to door campaigning. A constituent told me it's so hurtful because I'll get a ballot in the mail or whatever, a notification in the mail and my wife died a year and a half ago. So I said, 'Oh, you know, I'm sorry about that.' He goes, 'Yeah, you know, it's hard enough and that just reminds me that she's gone.' That's here locally, in Foster Village. Not in Chicago.

"Mr. Speaker, we have a quite easy way of doing absentee ballots right now and you can still do these absentee ballots request from your home and you can still watch the TV and look at the different candidates with the existing absentee ballots that we have. So I'd just like to say that not always is easier better. Thank you."

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

"I stand in strong support with a few brief comments. I do agree with the previous comments that there are a lot of problems, and that we do have to talk about civic responsibility and getting people involved in government at all levels. I come from Kihei, and Maui has the lowest rate in the State, and my district is the lowest on Maui. So, we're number one in the nation.

"I vote absentee. My 80-year old parents, they vote absentee. And I also know that they do find it a bother to always have to re-register for absentee for every election, as I do. And I might point out also in Oregon where they mail out all the ballots, all ballots are mailed out, they have over 80% participation. Thank you."

Representative Finnegan rose to respond, stating:

"Thank you. Just some additional information. I believe when I was reading through the Oregon information that they had a high turnout for voting already. And I know there are other bills in regards to complete absentee ballots, so I won't go into that. 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. 764, HD 2, entitled: "A BILL FOR AN ACT RELATING TO VOTING," passed Third Reading by a vote of 43 ayes to 5 noes, with Representatives Ching, Finnegan, Marumoto, Meyer and Ward voting no, and with Representatives Takai, Thielen and Yamane being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1114) recommending that H.B. No. 1047, HD 2, as amended in HD 3, pass 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. 1047, HD 3, entitled: "A BILL FOR AN ACT RELATING TO MARRIAGE AND FAMILY THERAPISTS," passed Third Reading by a vote of 48 ayes, with Representatives Takai, Thielen and Yamane being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1116) recommending that H.B. No. 1475, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1475, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising in support with some reservations on this measure. I feel that this bill duplicates the Department of Human Services' request in the Executive Biennium Budget that the Governor submitted to us on December 18, 2006 to raise the personal needs allowance from \$30 to \$50, so that's something that this bill does. Another thing I'm a little concerned

about, and maybe it's just that I'm not reading this bill right, but we are calling this a needs allowance for individuals living in qualified facilities. The needs allowance should be administered by the Department of Human Services to pay for clothing and other miscellaneous personal needs, such as bus fare, personal, postage cost, hair cuts and other costs of day to day living.

"When you get to Section (c) on page 3, it says the needs allowance is not intended to replace or affect the funds received from the federal Supplemental Security Income Program. They go back to (d) and says the operators in adult residential care homes, Type 1 and Type 2, developmental disabilities domiciliary homes, community care, foster family homes shall pay for generic toiletries, including toilet paper, hand soap, paper towels, linens, including bedding, sheets, blankets, towels, meals and snacks for adults. As I say, I may not be reading it right, but it looks to me like they are going to be able to use that money out of the needs allowance, which previously looked like it was just for the individual's personal use. So these are my concerns. Thank you."

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

"Mr. Speaker, in support. The previous speaker is correct that the Governor also was requesting personal allowance moneys and it is a complex issue. It's actually listed twice in the budget because there's two different types of homes they're talking about. I believe one is a care home, and the other might be a higher level of care for that. But this is something that the care home workers community for many, many Sessions now and so it's good to have a bill that also authorizes the funds just to also support what's included in the budget request from the Administration. Thank you."

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

"Thank you, Mr. Speaker. In strong support. I'm just kind of curious in regards to how this would be affected. In Part (d) of Section 2, it states that this shall pay for, and then it names other bunch of things. When it's required to be paid, when you're requiring it to use it for certain uses, does that mean that it's additional paperwork for the care home operators? They deal with a lot on a daily basis and I just don't want it to be so cumbersome that it's not worth the \$50. Thank you."

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

"Thank you, Mr. Speaker. In support. Mr. Speaker, the monthly needs allowance has been \$30 since 1988, so going up \$20 in 2007 seems to be fair. In fact, it's been too long awaited. The monthly needs of \$50 will help to cover incidental expenses of day-to-day living. Many times we see caregivers at the health hearings and they'll testify at times or even take out-of-pocket moneys on their own to provide for some of these incidental needs. So this is long awaited and I think this is a good measure and the Administration also supports this bill. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I'm in support. The needs are so tight in some of these circumstances that the caregivers are using their own resources for essentials like toiletries, toilet papers and soap. I think we have to focus on these essential needs of these people in these homes. I don't think \$20 is unreasonable. I think we would be remiss if we didn't take care of their essential needs. Thank you very much."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1475, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SOCIAL SERVICES,"

passed Third Reading by a vote of 48 ayes, with Representatives Takai, Thielen and Yamane being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1118) recommending that H.B. No. 436, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 436, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising in support with some reservations. This bill would include chiropractic coverage for Medicaid and QUEST recipients. The concern I have is that there is no appropriation in the bill to cover chiropractic services. The estimated cost of these figures that came from the Department of Human Services, they figured them for the population that are covered by Medicaid and QUEST could up to \$7.3 million based on 24 sessions per year. Of the total amount, the federal share would be \$4.1 million. That leaves the State to pick up \$3.2 million. There's concern that adding chiropractic care to MedQUEST and Medicaid will increase overall cost to this program and in turn availability of care will decrease. Thank you."

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

"Mr. Speaker, just for the same reasons, I'm voting with reservations."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 436, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," passed Third Reading by a vote of 48 ayes, with Representatives Takai, Thielen and Yamane being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1120) recommending that H.B. No. 715, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 715, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Morita rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, may I have a ruling on a potential conflict? My sister is a farmer on Lanai and will benefit from the appropriation."

The Chair ruled:

"No conflict as this is a class of farmers on Lanai."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 715, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE PURCHASE OF WATER FOR AGRICULTURAL USE ON LANAI," passed Third Reading by a vote of 48 ayes, with Representatives Takai, Thielen and Yamane being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1122) recommending that H.B. No. 902, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 902, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I am in favor of this measure, but I have a reservation. The reservation is that the bill offers a 100% tax credit and I felt that might be a little too generous."

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

"Thank you, Mr. Speaker. I stand in opposition. This bill is supposed to assist farmers, but what it really does is cultivate a lot of question marks. For years the Tax Review Commission has suggested that we start to rein in our appetite for tax credits. This bill allows for a 100% of tax credit for qualified investment in agricultural endeavors. That is a very generous tax credit. So if the farm is profitable, the amount that would be credited would be the entire expense for that individual farmer or the investors. I wonder how many other new businesses have that kind of assistance from the get go?"

"Speaking about qualified agricultural cost, this bill is so loosely written, it allows farms to claim credits for expenses that are not directly associated with farming and those claims can be made for feasibility studies, legal and accounting services. If we're going to promote ag, let's do so by helping farmers, not attorneys and accountants."

"This measure purports to assist farmers, but if you read the details, it allows pass-through entities to be the recipients of these credits, those folks such as partners, shareholders, beneficiaries or other members. This credit is also creating an investment tool and that is dangerous because as we've seen with Act 221, a lot of times investors dictate what happens and that might be the case with farmers having to appease investors and doing things that they might not want to be doing."

"There's also no sunset date on this credit. The bill states that if the credit exceeds taxpayer liability and it may be used in subsequent years until exhausted. That means that, perhaps, 10 or 20 years from now, investors may finally cash in on their credits and that will be a real impediment to sound financial planning for future lawmakers. There is also no cap on the credit. We have no idea what the financial impact could be. What if a hundred farmers avail themselves to a million dollars in tax credit. I doubt if future Legislatures can handle that financial impact."

"And also in this bill, the Agribusiness Development Corporation is tasked with administering this credit, but ADC director Alfredo Lee admits he has no expertise in this area. So I'm in all for growing agriculture, but not in support of the manner in which we're doing so with this measure."

"Let's provide grants and appropriations to help foster and help our farmers in need, rather than go through the way of tax credits, which lacks accountability. A change in our tax codes really doesn't happen in a vacuum. Although this is a noble gesture, this bill helps a few at the expense of many and we should certainly be moving towards a fair tax policy that eases the burden for all of us. Thank you, Mr. Speaker."

Representative Belatti rose in opposition to the measure 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 Tsuji rose to speak in support of the measure, stating:

"Mr. Speaker, aloha. I rise in support. Thank you very much. This measure would provide a stimulus for our agriculture industry, mainly landowners and farmers who invest in their operations for critical infrastructure to assist the industry and really take a step forward."

"Mr. Speaker, the qualified ag cost specifically lists roads and utilities, ag processing facilities, irrigation systems, ag labor housing, areas that farmers and landowners will need now and in the future. This bill provides for a review and approval process to assure qualified businesses are taking the proper tax credit. This bill sends a strong message that we are committed to the agricultural industry and with further commitment towards implementing the State Constitution to identify important ag lands."

"This bill is not a 'silver bullet', Mr. Speaker. But is truly a vital segment of a much larger comprehensive package of incentive that involves assurance of water availability, loan guarantees, streamlining permitting processes for the State and county procedures, and other mechanisms to encourage agriculture."

"Mr. Speaker, we may have been unsuccessful previously in the identification of important ag lands and need this type of innovative initiatives. Philosophically, agriculture is one of our sectors that is identified in our State Constitution and deserves every support mechanism possible. Other sectors of our economy in the community have been considered and provided with tax credits."

"Now, talking about the financial impact. The Department of Taxation says and I quote in its testimony, 'This legislation will result in revenue loss to the State of approximately \$27.8 million.' Is this not a magnanimous amount? Do I agree? Absolutely not, Mr. Speaker. Hawaii's annual economic impact in agriculture is nearly \$3 billion annually. Comparatively speaking to \$27.8 million, and I'm taking percentages into consideration, this is less than one percent of the total gross revenue. No contribution, tax loss. I think this is one side of the balance sheet. You're looking at expenses and not looking at profitability. Shame on such comments."

"Preservation of ag lands is a complex and ambitious undertaking. Although further amendment and refinement may be needed, we need this bill to move forward, Mr. Speaker. If we expect our farmers and landowners to be passionately committed, we, too, must make the first step and be passionately committed as legislators, Mr. Speaker."

"And if I may, to quote the phrase of our Honorable Speaker, Calvin Say, during our Opening Day Ceremonies this past year, 'Keep these lands green forever.' Thank you, Mr. Speaker."

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

"Mr. Speaker, could I have the words of the previous speaker inserted in the Journal as if they were my own? I am in support of this bill. And as I listened to him, I realize how much I have to learn."

"I believe this bill, sending it to hearings gives us a starting point. In looking at some of the testimonies provided by Alexander & Baldwin, the Hawaii Farm Bureau, the Kauai Coffee Company, all in support. The Department of Agriculture and the Agriculture Research Center were also in support of the intent."

"I think this provides a starting point. We can't always agree on whether it's apples, oranges, or the voting rights of the citizens of Bolivia. But on this, I think we have a starting point. Thank you,"

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

"Thank you, Mr. Speaker. I am in support with some reservations. A 100% tax credit is a little bit worrisome to me, and the broad description of what they can write off. But I do want to see us support the farmers. Thank you."

Representative Pine rose in support of the measure with reservations, and asked that the remarks of Representative Meyer be

entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

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

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. 902, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL TAX CREDITS," passed Third Reading by a vote of 39 ayes to 9 noes, with Representatives Belatti, Berg, Luke, Morita, Nishimoto, Saiki, Shimabukuro, Takumi and Wakai voting no, and with Representatives Takai, Thielen and Yamane being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1127) recommending that H.B. No. 1133, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1133, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I rise in opposition to H.B. 1133, HD 1. I am an absentee voter and I don't mind re-enlisting for it every two years. I am for making voting easier and to make it increase our voter roles and our voter activity. I guess my concerns have to do with voter fraud and I think the red flags are raised when the Clerk of the City and County of Honolulu came to testify in the House Judiciary Committee on these voter bills.

"Denise DeCosta who is an excellent City Clerk, said she had reservations concerning Election Day registration, particularly in regards to the additional responsibilities that it would place upon poll workers. This last election we saw a shortages of poll workers. We didn't obtain the requisite number until the very last minute. They lacked training. And an extra duty would simply slow down the process with this shortage. We have to check to see whether the person is already registered. In some cases, you may want to compare signatures according to the Clerk.

"I think it is very difficult to have this at every polling place. If this bill does pass, we might consider allowing same day registration at select places like City Hall or Satellite City Hall. But to have it at every place just seems like it might bog down the voting process.

"The Clerk pointed out that under present law, registrants have up to 700 days to register to vote during the election cycle because you only register every two years, so that was a good point that she made. She concluded that the awareness and process of registering to vote by the deadline is a first and necessary component of recognizing ones personal civic responsibilities. Thank you very much, Mr. Speaker."

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

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

"I stand in opposition to the measure. First, I want to say that I appreciate the efforts of the Representatives of Manoa, Waimanalo and others who are trying to raise our anemic vote totals, but I fear this could cause a train wreck, especially in the Neighbor Islands where many polling places, as the previous speaker alluded to, are very understaffed. It frightens me of the potential to fraud and abuse, not to mention the fact that elections results already come within the

wee hours of the evening. I would just hate for this body, in the guise or in the lofty goal of trying to get voter turnout increased opens a gate to rampant fraud and abuse.

"If you would just indulge me briefly, this reminds me of a piece in history, the Battle of Thermopylae where 300 Spartans basically defended a pass against a troop force a hundred times its size. At the conclusion of the battle, the Persian general said, 'Well, we achieved the victory,' to which his aide turned around and said, 'Yes, but at what price is this victory?'

"So, I just would urge this body to really consider amending this as a pilot program for major areas, such as the county of Wailuku, or City Hall to see if it works before we thrust this thing upon all these small areas. We were having a hard time getting poll workers to begin with. Thank you."

Representative Finnegan rose in opposition to the measure and asked that the remarks of Representatives Marumoto and McKelvey be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

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

"Thank you, Mr. Speaker. I rise in support. I think that we need to do everything we can to get people to go out to vote and elect who they want to represent them. I think the previous speakers have actually pointed out some of the areas we need to improve in. As we move forward, I think we should be looking at maybe raising what we pay poll workers, that we use our electronic technology today and have the other ways of proving people, who they are and where they live or whatever. There are ways to do this. We're in the year 2007 and I can't believe we can't solve the problems that have been mentioned by previous speakers.

"We just need more people to get involved in government and I just see this as a move forward for our State. Thank you."

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

"Mr. Speaker, I rise in support. Just very briefly. I think, people have an unfounded fear when it comes to some of these speculated fraud and abuse. When you look at other states that have already done this, they really have not encountered such problems. There are already seven states that permit Election Day registration Idaho, Maine, Minnesota, Montana, New Hampshire, Wisconsin and Wyoming. And I think most of those states, what they've found is that actually having same day voter registration has increased their voter participation by an average of about 12%.

"For those people that do have concern about fraud, what we did do in the bill was we made sure that there are safeguards so that when we check to make sure that the person actually does reside there and is somebody that can vote, on page 2, there are those safeguards. And so for those reasons, I think the fears about fraud is something that is unfounded.

"On a more elemental basis, I think the thing we always have to remember is that voting is a fundamental right. It's a fundamental tenet of our democracy. Anything and everything we can to make sure that everyone has access to that right, and participates in that right, and exercises that right is something that we should look at. We shouldn't be creating barriers no matter how unfounded our fears are towards that fundamental right. Thank you."

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

"I have just brief comments, please. In opposition. I do agree that it's critical to get more people voting. I just think that people have every two years to register. And in West Hawaii it's often chaos on

Election Day. I mean absolute chaos. We had so few people at the polls and I just think we are going to melt down in some of the areas. One time, in 2004, it took an additional six hours to get the votes over to Oahu.

"I don't think there will be fraud. I just think that the whole election process could collapse in certain areas. So I would like the recommendation to see a pilot program paid some heed as we go forward rather than to do this statewide project until we know that there won't be collapse. Thank you."

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

"Mr. Speaker, I rise in opposition. I think what the previous speaker, which has part of the Maui speaker's point of view, is very, very well taken. Rather than going statewide on something, and possibly screwing up, we should do it slowly and methodically.

"We have to face the fact that, I think it was Chicken Likin, 'We found the enemy and the enemy is us.' We are part of the barrier that people don't vote. They don't feel we're trustable. They don't feel we're accessible. They don't think we're sensitive. We're reactive. We're not meeting their needs. I would like to see this in the ethics bill that's coming up later to really engage the people in a discussion. I know that that's not on the subject now, but we are playing with the system.

"I know it's well intended. We try to do it with 'motor voter'. You get your license, you get your voter registration. You can even open your phone book and you can get your registration. We have all kinds of ways, but we really need to face the issue seriously. So if we're going to really play around with this again, let's pilot it, and do it in an area that doesn't disrupt the entire system. Because quite frankly, as the Representative from Kahala said, if you're not computerized and you got these people coming in floods, and you're using the paper system we have now.

"We are inviting confusion and chaos. If it's not computerized, we don't have the equipment, we don't even have the money to pay for the people who are running the polls right now. So, not to have the equipment is really to invite a lot of 'hanky panky'. People are not inherently dishonest, but if you leave the keys in your cars, if you leave the system so open for vulnerable attacks, we are 'cutting our nose to spite our face' by doing this. Thank you, Mr. Speaker."

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

"Mr. Speaker, in support. I think we're leaning the wrong way. If you look at the 2004 presidential election, Ohio, of course, is the 'lynchpin' State. If half of the credible stories about voter fraud there were true, they were all denying the people to vote who should have been able to vote. I think we are overly concerned about potential fraud going this way. In the age of computers, as one of the Representatives mentioned, we should be able to cross-reference very easily and quickly and I support this bill. Thank you."

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

"I'm in support. Thank you, Mr. Speaker. I think the Representative from Aiea said it best and I don't think I can improve upon that. However, the suggestion to, perhaps, designate one particular place per county is not a bad suggestion and if the bill comes back from the Senate, we'll be sure to look at that because if we can get 100% support on that, I think it's worth 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. 1133, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTION DAY REGISTRATION," passed Third Reading by a vote of 39 ayes to 9 noes, with Representatives Awana, Ching, Finnegan, Green,

Marumoto, McKelvey, Meyer, Pine and Ward voting no, and with Representatives Takai, Thielen and Yamane being excused.

At 4:50 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1670, HD 2	H.B. No. 436, HD 1
H.B. No. 764, HD 2	H.B. No. 715, HD 2
H.B. No. 1047, HD 3	H.B. No. 902, HD 2
H.B. No. 1475, HD 2	H.B. No. 1133, HD 1

At 4:50 o'clock p.m., Representative Souki requested a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 5:10 o'clock p.m. with Vice Speaker Karamatsu presiding.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1128) recommending that H.B. No. 1767, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1767, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative McKelvey rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative McKelvey's written remarks are as follows:

"Mr. Speaker, I am in strong support of this measure. The intent of this bill is to provide the State with the best value possible by creating a streamlined process in the Procurement Code to contractors in jobs over \$150,000 that use design-build, rather than design and then build to construct a project.

"Currently, Mr. Speaker, the State will often award one contract for the design portion of a project and then come back for the funding for the build portion. This is a big reason why our traffic projects are so far behind. It is this archaic two-tier system that will often draw a project out over many years. Not only does this create a delay in completing the project, but during this time the cost of materials will often increase as well. The net result, Mr. Speaker, is that many projects will often fall short of the money allocated by this body and the Governor will be forced, as past Governors have done, to notify the Legislature that there are insufficient funds allocated to do the project and let the funds lapse back into the general fund.

"This bill is also a good measure in that it will reward companies that have a proven track record of design-build projects to be awarded certain State projects through this system. For our State Department of Transportation, this will allow them to issue design-build roadway projects to companies that have proven to the State that they can bring these jobs on-line successfully and have the proper personnel to undertake this type of hybrid contract work.

"Mr. Speaker, the people of this State have waited too long as infrastructure projects continue to fall behind and our quality of life deteriorates at an exponential rate for us not to embrace anything that will ensure that the government can move faster to deliver what is long overdue.

"As a final note, I must point out that the federal government also sees the value in this type of project work as they are now funding these types of design-build projects at a higher proportion. The bottomline is that anything we can do to speed up government projects and reward companies that excel at this type of progressive project should be encouraged."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1767, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PROCUREMENT CODE," passed Third Reading by a vote of 48 ayes, with Representatives Saiki, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1129) recommending that H.B. No. 687, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 687, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I rise in opposition to this bill. Some corporations are created more equal than others. As in *Animal Farm*, some pigs are more equal than others. This is a schism between good and bad, between responsible and irresponsible, between corporate, some that are holier than thou, and some that I think are going to probably take on a political statement because this is socially responsible corporate Hawaii.

"If we look at the corporations in Hawaii as we have now, those that give millions of dollars and volunteer hours and hours and put their blood, sweat and tears, hire 80%, Mr. Speaker, of all of our employees in the State. To pass the bill that says we are going to create a new type of corporation, we are going to split those from being socially responsible to implying that those exists now, in effect by default are socially irresponsible.

"In wrapping up, I would suggest that this is not going to be good for the morale of the corporate structure of the State, as well. I would probably even be convinced that if you changed the name of it, from something 'socially responsible corporation', so maybe 'alternative corporations', or perhaps 'public-private corporations'. But to say that some are responsible, some are not responsible, it just doesn't have the right spirit behind it, Mr. Speaker. Having said that, I am not supporting this bill."

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

"In support. Brief comments and response to the previous speaker. We're not talking here about creating a new corporate statute. We are talking about creating a task force to do a study, to make recommendations as to whether we should move forward in this area.

"Mr. Speaker, what we're talking about is trying to urge corporations in the end to support their employees and communities and by rewarding those corporations that already do. Plain and simple. It doesn't mean that they have to do anything at this point. It's a task force to find out. In the end, we are trying to incentivize corporations that already do have to get a corporate license in order to incorporate to put out the best business practices. So, all it is is a task force. The next step comes later, depending what the task force finds. It's a good bill. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. In the interest of time, just opposition with written comments."

Representative Finnegan's written remarks are as follows:

"Mr. Speaker, I am in opposition to this measure to create the Responsible Business Corporation Act. I believe that this is an anti-business piece of legislation. If you are not a "Responsible Business Corporation" then you would be an "Irresponsible Business

Corporation". Although this bill is in its infancy, I argue that we do not need to be headed in this direction."

Representative M. Oshiro rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative M. Oshiro's written remarks are as follows:

"Mr. Speaker, I am in support of this bill.

"House Bill No. 687, House Draft 1, sets up a task force to consider the root problems that this Legislature must grapple with every Session and the bill asks this task force to do so in a unique and innovative manner. House Bill No. 687, House Draft 1, establishes this task force to:

[D]etermine how to authorize the establishment of corporations structured to recognize, as corporate interests, the interests of employees and of the public in areas such as wages, the environment, and consumer protection, and provide incentives for incorporation of responsible companies that not only consider the public interest in doing business but integrate the public interest into the structure and duties of the business.

"In the nearly half-century that has passed since Hawaii became a State the modern corporation has emerged as the dominant institutional force in the world – even eclipsing the sovereign powers of the State. But as corporations have gained immensely in legal rights and economic power, the scope of their responsibility towards society at large has narrowed significantly.

"Marjorie Kelly, founder of *Business Ethics* magazine, writes in her book, *The Divine Right of Capital*, that a number of massive changes in the nature of corporations have placed them increasingly out of step with reality:

- 1) *Increasing size.* Today, among the world's one hundred largest economies, fifty-one are corporations.
- 2) *The shrinking of ownership functions.* While we still call stockholders the owners of major public firms, they do not — for the most part — manage, fund, or accept liability for "their" companies. Ownership function has shrunk to virtually one dimension: extracting wealth.
- 3) *The rise of the knowledge economy.* For many companies, knowledge is the new source of competitive advantage. To allow shareholders to claim the corporation's increasing wealth — when employees play a greater role in creating that wealth — is a misallocation of resources
- 4) *The increasing damage to our ecosystem.* The rules of accounting were written in the fifteenth century, when to the Western mind nature seemed an unlimited reservoir of resources and an unlimited sink for wastes. That is no longer true, but the rules of accounting retain fossilized images of those ancient attitudes.

"It is imperative that we seek out new models of corporate structure and governance as we move further into the 21st century. House Bill No. 687, House Draft 1 will provide the necessary vehicle. Thank you, Mr. Speaker."

Representative Ching rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"I am in opposition to H.B. 687--Relating to Corporations. While I support the intent of this legislation, because of the following

concerns stated initially by the Department of Commerce and Consumer Affairs, I must oppose this bill in its current form.

"My first concern is that the bill does not give the task force the discretion to determine the viability of the new corporations. The bill mandates that the task force recommend how to create a new corporation. But the task force of experts may need discretion to determine whether one is possible at all.

"In addition, the mandate does not permit the expert task force to suggest other creative solutions. An inflexible mandate for the task force should be given the discretion to explore different solutions. It would also deter expert volunteers to join such a task force since they would fear liability if the task force fails to agree upon legislation. In any case, the task force should be given the discretion to explore different solutions.

"Last, this bill suggests that existing corporations are not responsible corporations, which is not the case."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 687, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CORPORATIONS," passed Third Reading by a vote of 40 ayes to 8 noes, with Representatives Belatti, Berg, Ching, Finnegan, Marumoto, Meyer, Pine and Ward voting no, and with Representatives Saiki, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1132) recommending that H.B. No. 1377, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1377, pass Third Reading, 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. At my firm, I represent HHSC on some procurement matters, but nothing within the scope of this bill," and the Chair ruled, "no conflict."

Representative Green rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, just a potential conflict of interest. I do contract work as an emergency room doctor at two of the HHSC hospitals," 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. 1377, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE HAWAII HEALTH SYSTEMS CORPORATION," passed Third Reading by a vote of 48 ayes, with Representatives Saiki, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1133) recommending that H.B. No. 1, HD 1, pass 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. 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO A COMPREHENSIVE OFFENDER REENTRY SYSTEM," passed Third Reading by a vote of 48 ayes, with Representatives Saiki, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1136) recommending that H.B. No. 408, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 408, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising on Stand. Com. Rep. No. 1136, in opposition to this bill. The purpose of this bill is to create a buffer zone to protect farming operations by prohibiting industrial, commercial, and residential development within an unspecified number of feet from the property line of any parcel in which farming operations are being conducted.

"This buffer zone is, as I read the bill, will be on the other person's property, not the farm, rendering hundreds of square feet of property that the private property owner will not be able to use because it will have to be left as a buffer zone. This is problematic because it would unnecessarily restrict development on these properties. The cost of real estate is high already even for a small plot of land. Imagine buying a small lot to build your first home and come to find out you can't use a thousand feet of your property, and now you have to build a much smaller home, and you have all this empty good space. That would be very discouraging for many people.

"It is also not a way to give notice to a potential buyer because this is not a true encumbrance of the land. The buyer has no way of truly knowing what they are buying. I think this bill has some problems. I know they are trying to protect the farms so that we don't have conflicts between the property owners, but it seems like sort of a one way thing. It's not the farm that must give up land. It's the people that buy the property around them. Thank you, Mr. Speaker."

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

"Mr. Speaker, in opposition, also. I had a problem with this bill because like the other previous speaker, it seemed to co-op the land of the person who owns the area next to the farm. I thought that might be construed as a taking. In addition, the number of feet the buffer zone is left blank, and so I did not know whether this meant 5 feet, or 500 feet, or 5,000 feet. So that is the reason for my no vote. Thank you."

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

"With reservations. In my district, I've got 500,000 acres of conservation land. I've got 400,000 acres of agricultural land. I have no rural land and I have very, very little urban. Ninety eight percent of the people I represent live on ag land, and I don't know how this is going to impact them under the Ibarra decision. Probably 75% to 80% of them are illegal now. And this is just going to complicate their lives. Thank you."

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

Representative Sagum's written remarks are as follows:

"On Stand. Com. Rep. No. 1136, HB 408, HD 2: Relating to Agriculture, I will be voting yes on this measure as I agree to the right of a landowner to farm his land. However, I question the fact that the bill imposes a restriction on properties abutting the farm. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. With reservations also. I don't believe that this kind of situation can be legislated. It really has to be looked at on case by case basis. Thank you."

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

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

Representative Cabanilla's written remarks are as follows:

"Mr. Speaker, I am in strong support of Standing Committee Report No. 1136 for House Bill No. 408 HD2, Relating to Agriculture. The purpose of this measure is to create a buffer zone to protect farming operations by prohibiting industrial, commercial, or residential development within an unspecified number of feet from the property line of any parcel in which farming operations are being conducted.

"I'm reminded of the words of Ralph Waldo Emerson who said, "The first farmer was the first man, and all historic nobility rests on possession and use of land." This measure is extremely important because it ensures the crops and land used for farming does not suffer from pollution, contamination, or even denial of sunlight from the development of factories, skyscrapers, or homes. Farms are the very heart and soul of not only Hawaii, but also America, and in the interest of keeping our country strong, I ask my colleagues to act patriotically and support this measure's passage."

Representative Ching 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 Ching's written remarks are as follows:

"I am with reservations in support of H.B. 408 – Relating to Agriculture, prohibiting any industrial, commercial, or residential development within an unspecified distance from property line of any farming operation.

"While I understand the intent of protecting the right to farm on agricultural properties, prohibiting lawful activities on the adjacent properties may raise legal questions regarding the "taking" of property rights.

"From a general application standpoint, prohibiting development within an arbitrary number of feet of farmland would unnecessarily restrict development Statewide. H.B. 408 could have the unintended effect of discouraging farming throughout the State by jeopardizing farming operations with short term leases that landowners view as impeding use of neighboring parcels. Additionally, H.B. 408 could effectively prohibit developments as small as a single home in certain regions of the State where farming operations abound, depending upon the number of feet ultimately specified in the bill. The cost of real estate in Hawaii is high enough already. H.B. 408, if passed may increase the cost of Hawaii's real estate by reducing the amount of developable land."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 408, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 46 ayes to 2 noes, with Representatives Marumoto and Meyer voting no, and with Representatives Saiki, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1137) recommending that H.B. No. 527, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 527, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Meyer rose, stating:

"Thank you, Mr. Speaker. This is a bill, originally it was against flavored tobacco products, but that's been taken out of there. It's having to do with selling cigarettes and not making it very easy for people to buy them. I'm just confused in the language. Let's see who introduced this. I wondered if I could just ask a question of the introducer of this bill?"

The Chair addressed Representative Mizuno, stating:

"Representative Mizuno, would you yield to a question? Or would you like to request a recess?"

At 5:21 o'clock p.m., Representative Mizuno requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 5:22 o'clock p.m.

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

"Mr. Speaker, during the recess I was able to get some clarity on this bill and I will support 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. 527, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TOBACCO," passed Third Reading by a vote of 46 ayes to 2 noes, with Representatives Bertram and Souki voting no, and with Representatives Saiki, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1140) recommending that H.B. No. 1832, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1832, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"I'm standing in support of this very bad bill. Yes, I'm in opposition. The purpose of this measure is, supposedly according to the first part of the bill is, if you ensure that adjoining properties are to be allowed to display signs, that it will not interfere with traffic safety, or otherwise endanger public health and safety and welfare due to their size and location of their display.

"I think that the experience in the prior election has been that there are signs that are posted on residences and in some particular residences there may be just too many signs. But although we do have an over-proliferation of signs, as weird as you can probably imagine, there has never been any, any incidences where anyone ever got injured where there is any danger to traffic, or personal safety of any individuals. Maybe somebody might be offended by a sign, but it's a problem only to those who probably don't like signs at all.

"In Waipahu, I have been complimented on many, many occasions by the fact that I display signs that are pleasing and easy to remember. Someone once told me they saw 100 signs that I posted up, but in actuality, I only had eight. The reason that they said that I had over 100 signs is not because I had a hundred signs. It's because they're posted in very strategic locations.

"And signs are very important, especially to the young candidates, and candidates who are not well supported by the establishment, or have lots of money, or who have a rich uncle, or people that have a lot of money or a rich wife, or whatever may be the reason. To start off a campaign as an unknown candidate, you've got to use signs. You have got to use sign waving. You have got to use these things that are cheap, but proven over the years as very effective and



accepted by Hawaii. People on the mainland may have different opinions about how we campaign, but posting signs in Waipahu is an acceptable practice. People who own homes welcome signs. In fact, they don't care sometimes how many you put up.

"I do disagree that you can have too many signs on each property. But the way that the bill is crafted, it really, really limits the size of the sign so that even if you do, even I, in my own personal experience, posted in those strategic locations, it will not have the same impact. It will now require me to spend thousands of dollars probably to mail things. And, of course, the fact that I need to spend that kind of money that means I have to do a lot of fundraisers. And, you know, there's a lot of setbacks to that. You have to commit to certain things when you have to do a fundraiser. That's pretty bad. I wouldn't wish fundraising on anybody in this particular body.

"I think that the signs are an effective way to campaign and I think it's an effective way for people in the community to participate in the voting system. It is a way to encourage people, basically, to vote. Because they see your picture there, or they see your sign there. They're going to say, 'Right on. I'm going to go vote.' Right on, Sonson. There you go. This bill is an 'anti-Sonson' bill, pretty much the way I see it. But you know, those people who don't use sign it's easy for you to vote yes on this bill. But those of you who have started out just like me, an unknown person from Waipahu, not financed by the people that usually finance, it is the only way to get your name out.

"So, please, if this bill is going to move forward, let's do something about it so that it's not so draconian so that people such as myself who have a slow start, would have an opportunity to participate in the legislative process, in the elections as a candidate. There are people out there in the community who would like to participate as a supporter of a particular candidate, not just one because, you know, as soon as I hand two of my signs, *pau*. No one else can put a sign in that particular location. I don't want to hog the place. So we have to encourage these homes to participate in the process, and the way to do that is not to limit them on how many signs they can put on or the size is to this certain degree that the bill calls for. Thank you very much, Mr. Speaker."

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

"Mr. Speaker, I'm rising in opposition of this bill, as well. I invite you to come to Farrington Highway, at the corner of Farrington Highway and Paiwa Street, you will see a very beautiful sign there that says, *Kung Hee Fat Choy*. That's a way to communicate to our constituents, Mr. Speaker. Now and then I put those signs up and it's a way to remind them that they have a Representative in the district.

"And as far as posting these campaign signs, it's a decision of the private property owners, Mr. Speaker. And if this bill is to go forward, it should be decided by districts. I realize that certain districts on Oahu are thoroughly appalled by these signs, but there are also districts that welcome it. So, I don't think it should be decided on a Statewide basis. The districts, the communities, should decide it amongst themselves whether they want this or not. So, I'm asking that this bill should not go forward. Thank you, Mr. Speaker."

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

"Mr. Speaker, I rise in support of the anti-Sonson bill, which means I'm against the bill. I'm against the bill and I'm in opposition.

"In Waipahu I have the most admiration and I would just say the highest admiration for what he did before he spoke what he just spoke about. Because he has gone the route. He's walked the talk. He has put himself out there. And not only because of what he did, but because of what the signs indicated. It's not only anti-Sonson, it's anti-freshman, at which I speak of at the present. It's anti-newcomer.

It benefits everybody here who's been in this Chamber for a number of years because your name recognition is up. You don't need big signs.

"And it's also anti-soccer league, anti-soccer mom, anti-football. They got banners that are six feet wide, sometimes eight feet so they can sell *huli-huli* chicken or they can get people to come out. This, for the sake of what otherwise is a small group of people who have kept billboards out very wisely, who have kept the aesthetics of Hawaii because our environment is our economy and our economy is our environment.

"I think we are going too far down the line, because I can remember when some of us first started even running for office, we couldn't put signs up. It had to be constitutionally forced through the courts. And now I think for the sake of those who are comfortable within this body, now solid incumbents, this has a leg up and advantage, and I would like to side with Mr. Sonson with his remarks."

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

"In support with reservations. I would like to see this bill continue with a discussion because I think one of the nice things about Hawaii is not having a lot of billboard signs and a lot of advertising signs on the roads, on the streets. I understand what the previous speakers spoke about, but this still would allow signage.

"One of my reservations, though, is I believe each county has rules on their signage, especially during campaign season, on banners and such. I do believe maybe if we do pass something, we have to remember that homerule also, needs to address signage. Thank you."

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

"I rise in strong support. I'm one of those first-time candidates. I had one sign, one banner. And it was stolen. You know, I think when people say you need to put your name out there, but I think it's more important that you be active in your community. That's basically what people knew me for. It was that I had activity already. So they knew my name, not because I put it all over the place, but because of my activities.

"Also, it was quite a lot of signage litter. During the election season and after, people didn't take them down. They were everywhere. So I am in support."

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

"Thank you, Mr. Speaker. In support. I can't let the opportunity pass to also compliment the Representative from Waipahu. I saw your signs myself. The colors were vibrant. Your complexion was perfect. Your hair was immaculate. You looked handsome. But the bill doesn't outlaw signs. It just limits the signs. Thank you."

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

"Thank you, Mr. Speaker. Just a vote with reservations as I would like to see this still move. But I guess it doesn't stop you from, and I've seen this before on the corners, having multiple signs of the same name. So, in regards to addressing the problem, there's that. And then there's some other language that I think could be tightened up. Thank you."

At 5:34 o'clock p.m., Representative B. Oshiro requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 5:34 o'clock p.m.

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1832, HD 1, entitled: "A BILL FOR AN ACT RELATING TO OUTDOOR ADVERTISING," passed Third Reading by a vote of 44 ayes to 4 noes, with Representatives Cabanilla, Manahan, Sonson and Ward voting no, and with Representatives Saiki, Takai and Thielen being excused.

At 5:36 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1767, HD 1	H.B. No. 408, HD 2
H.B. No. 687, HD 1	H.B. No. 527, HD 2
H.B. No. 1377	H.B. No. 1832, HD 1
H.B. No. 1, HD 1	

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1142) recommending that H.B. No. 1830, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1830, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. Just in opposition to Stand. Com. Rep. No. 1142. This issue has come up, it seems like for the fourth year in a row. I'm just going into some of the history of this bill and I'm going to try to keep it as short as possible as I have promised.

"The history of this bill is that across the mainland in the late 1990s, especially in large urban, metropolitan areas, like New York City, they're on the polar end of the U.S. from us, phenomena of abandoned babies were beginning to spread. And so particularly troubled were those babies that were left in dumpsters. There were some succumbed to the fate of dying in trash bins. And henceforth these abandoned children were dubbed 'dumpster babies'.

"Following this, several states, starting with Governor George W. Bush of Texas, began to pass laws known as 'safe haven' bills that provided anonymity for mothers wishing to leave their unwanted children at safe spots, such as, hospital, fire stations, police stations. And some of the other states, 42 as of now, followed suit and passed legislation based on these 'safe haven' concepts where a mother or parent can leave their child with closed or complete anonymity in hopes of saving the life of the child.

"However, recent studies have begun to show that these laws don't address the issue and rather they tend to at best, fail to remedy the problem, and at worse they exacerbate it. The crux of the problem is this. There lies at a point on a continuum where privacy is placed in polar opposition to life. In other words, both short term and long term, and not to mention the pursuit of knowledge. In other words, the assumption is that if we do not allow a mother to leave her baby anonymously, the mother will leave the baby for dead. And conversely it will allow her to leave it anonymously at a hospital, the baby will not be left. These philosophical questions are not easily answered, but please look at the bigger picture.

"The bill, relying on the assumption that any form of identification places undue stress and burden on the mother and causes her to 'dump the baby' is just not factual. Many anecdotal findings show that the mothers are not in a meditated state of awareness, and that they are not aware of any law that allows them to legally leave their baby at a hospital. They are just plain distressed. And that is why they leave the baby. So reasoning, such as a mentally affected mother who has lost her child, make it necessary to pass safe haven laws with faulty logic. Why did someone in that state of mind plan out an action and actually leave their child now at a fire or police

station? If they had a premeditation, they would look up their numbers in the white pages and do it properly.

"The law places too much reason, logic and legal knowledge on a subset of mothers who quickly dump their child in unsafe conditions, and, moreover, this law places a new stress on our first responders as they would have to examine the newborn and take care of them.

"The proper resolution here in Hawaii, as we are known for having a much more open, inclusive, and special culture based on heritage here in the islands, which is unique, and a unique attitude towards the family, which is unique, as compared to the very large and anonymous mainland. Many people here in the islands often start a conversation, 'I didn't know you were related to so and so. I didn't know that.' We have a very unique culture. Is there any question why the two last states holding out are states number 49 and 50? I've been to Alaska. Alaska has ironically, if you can exempt out their climate, a lot of similarities to Hawaii because we are states that are based a lot on who their unique tribal culture is. Our word for it is 'hanai.'

"The proper resolution to mother's abandoning their children is not to create a temporary fix or have any flawed bill with good intentions. The problem needs to be properly addressed. Why do mothers abandon their babies? What kind of stress and heavy burden causes them to put a newborn in such extreme conditions? The answer is not to pass a law that simply turns our police stations and fire stations into adoption agencies. The order of the day should be to strengthen an environment that helps these mothers and their children through education.

"I introduced a House bill 1836, which is based on a proven measure called the Project Cuddle which is a toll free line used in California. And ultimately, rather than placing a mother's privacy rights against the newborn's needs to survive, they need to cohabit in an area of law and society. In safe haven bills, there has been a situation where a boyfriend actually dropped off the child without the mother even knowing it. But, of course, there's no way to prove it.

"I have an article, quite recently, of the Olympic skier Dawson reuniting with his biological father."

Representative Finnegan rose to yield her time, and the Chair, "so ordered."

Representative Ching continued, stating:

"Thank you, Minority Leader. Olympic skier Dawson was lost. He's here with this father. He was on TV recently. He was lost in a Korean market when he was three years old. Just lost. And his father couldn't find him, so he was put in an adoption agency. And then just recently was reunited after his decades long search. What he said was he was going to make it his life long goal to help people to find their biological parents.

"And with all due respect to adoptive parents, adopted children feel just as strongly. But the fact is that when you pass a safe haven bill, and it's from this report, by the Adoption Institute out of New York City, where some of these began. The Adoption Institute quotes, 'Safe haven bills ignore the psychosocial importance, to adopted people as children and later in life, of information about their origins, ethnicity and social backgrounds. The overwhelming majority of adoption practitioners and mental health professionals today, including ones who do not necessarily embrace the rapidly growing practice of open adoption, agree about the benefits of having personal, as well as medical information, and that they maintain this information. The organizations of adults who are adopted in response to confessional consensus were insistent in the opposition of legalized abandonment.'

"What you're doing with this kind of bill is you are not ensuring that you will save a life. You are ensuring that you presume to steal the heritage and the genealogical information from time to eternity

for not just the adopted person, but for all of their progeny to come. That's quite a theft for a dream that you might save a child. Everyone wants to save a child, but there's no proof that a woman who is in that a distressed time be open to these laws.

"The kind of people who will use these laws are sophisticated kids who know what the law and statutes are and would usually go to their mom and dad. And so what you are talking about is you're stealing forever the heritage of a big group of people,

"I have spent time in adoption circles and they want to be here today, but the fact is that a lot of them have to be somewhat quiet on this issue. But they're so fearful that we will pass this law. So, I speak for them. Thank you."

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

"Thank you, Chair. Mr. Speaker, I rise in support of H.B. 1830, H.D. 2. The intent of this bill to ensure the safety of infants who are unwanted and whose natural parents are unready or unwilling to care for them. The provision for safe haven will enhance the infant's chances for survival and for safe adoption.

"The best interest of the child should have high priority over possible prosecution of a parent who is unable to care for the infant. If this bill passes and saves one child's life, then I believe this bill has done a great service to the world and not just to Hawaii. Thank you, Mr. Chair."

Representative Shimabukuro rose in support of the measure and asked her written remarks, and the remarks of Representative Awana be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Shimabukuro's written remarks are as follows:

"Mr. Speaker, I am in support of HB 1830 HD2. I am pleased to be among the thirty or more of my colleagues who introduced this bill.

"When the bill was heard by our Committee on Human Services and Housing, it received strongly supportive testimony from church and social agencies, as well as a number of concerned individuals.

"By passing this legislation, Hawaii will join 41 other states who have passed safe-surrender laws to protect newborn infants who might otherwise be abandoned.

"This bill is almost the same as one the Governor vetoed last year. The difference is that this bill takes into account her objection by requiring written information on the family medical history of the child.

"Please support this bill and give our Governor another chance to sign this long overdue legislation."

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

"Thank you, Mr. Speaker. I'd like to have the words of the speaker from Makakilo [Nanakuli] placed in the Journal as if they were my own. In support, Mr. Speaker.

"First of all, this measure is not about adoption, heritage, identification, or genealogy. They are all important social aspects, but keep in mind, if we do not protect the lives of our most innocent and helpless among us, our newborn babies, these all become moot issues. Adoption is only tangentially related to the safe haven measure that we are going over today. Again I state, that if a baby is placed in a dumpster and dies, adoption is a moot issue, as well as, heritage, identification, or genealogy.

"Mr. Speaker, I wanted to make a couple of corrections to the previous speaker who stated that 42 states have enacted this legislation. Today we have 47 states, and Alaska is not among them. However, Hawaii, Alaska, and Nebraska have this legislation moving through their Legislature.

"In 2003, both the House and Senate passed H.B. 133. This is very similar to the measure that we are going over today. Unfortunately, it was subsequently vetoed. Nevertheless, if these three states where this legislation is being passed, with this measure, obviously we could have before the end of 2007, all 50 states with safe haven laws. In addition, Mr. Speaker, we believe that we have addressed the Governor's concerns to try to secure the medical and lineage information of the birth parents of that baby that will be dropped off at a safe haven.

"I do have a concern, though, Mr. Speaker. Every year in Hawaii, approximately 9,000, we have approximately 9,000 unintended pregnancies. This represents 49% of all pregnancies in our State. And even more troubling is when we look at our target group, our youth, ages 12 through 19, they have approximately 1,500 unintended pregnancies a year. And an even more daunting statistic is that 78% of these teen pregnancies are unintended. That's about eight out every ten teenage pregnancies are unintended.

"Mr. Speaker, we have problems. In fact, after talking to one of our colleagues, I looked up Project Cuddle on the Internet, and they even talked about how prevalent baby abandonment is. I'm looking at their website. They state that in the U.S. it's estimated that 57 babies are abandoned daily, everyday across the U.S. They calculated that that comes out to about 20,000 abandoned babies in the U.S. And keep in mind, when we're talking about parent's rights, nothing precludes the mother or the father from going back and trying to reclaim their child.

"What I'm saying is they come to a point of panic. They just don't know what to do. So, I agree with the speaker from Liliha. What mother would go to such drastic means? It could be a number of reasons, but we know it happens. And at that moment, when they lack clarity ..."

Representative Sagum rose to yield his time, and the Chair "so ordered."

Representative Mizuno continued, stating:

"Thank you, Mr. Speaker. You may lack clarity. That baby could be saved. And, again, nothing precludes them or their family from going back and trying to reclaim that baby.

"Mr. Speaker, I would also like to note that if we are going to talk about adoption, I would like to state that after reviewing the national data, so far we've got 1,116 babies that have been adopted, that have been received at safe havens. All 1,116 have been adopted. And I want to talk about something else that's actually very encouraging. Of all these adopted babies, some of them had developmental disabilities, down syndrome, fetal alcohol syndrome, autism, mental retardation, and some babies were even HIV positive. Again, bar none, all of them were adopted.

"This program works. It not only saves lives, but we adopt those babies. If we do not adopt the baby, again, heritage, lineage, genealogy, all that is moot. We're not going to get to that because that baby doesn't have a life. It's our duty, Mr. Speaker, to protect our newborn babies. We already have laws to protect our aged, our blind and our disabled, but yet, we fail to have protection for the most vulnerable and innocent in our population – our new born babies.

"These babies are within 72 hours of being born, without sin and completely hopeless. They need our help. Mr. Speaker, for the foregoing reasons, I believe that Hawaii is poised and ready to join the vast majority of states. I humbly ask that our Members pass this

measure for the sake our babies and to save lives. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. Very briefly in support. Members, just two hours ago we passed a measure to provide healthcare for every single child in the State of Hawaii. I think we'd be remiss if we didn't continue that commitment to our *keiki*. I just think that the time is here. I dread the possibility that a baby will ever be abandoned and die, and maybe this will just stop that, be it one, two, or three cases over the next several years. If I have an opportunity to do that, I think that, although I respect totally all the reasons that have been given, while we should respect heritage first, but I think we have to protect those children. So I err on the side of passing this bill. Thank you."

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

"I am speaking in support of the bill. Just very briefly, I appreciate all the comments made about heritage and how it had to really be the preferred way. But we have to face reality out there, and the reality is that we had testimony referring to EMS, whose paramedics delivered 10 babies, not all at once. But still they did. You had a 12-year-old actually deliver a baby, that she didn't even know she was pregnant. So, we really, really need to talking about some, this may not be a pretty reality, but it is a reality and we have to accommodate it. Thank you."

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

"Mr. Speaker, I rise and before stating my position, I want this body to know, and particularly my colleague from Liliha, that I have the highest regard, the highest respect, and the profound understanding from where she is coming from. I rise in support of the measure.

"I rise in support as an adoptive parent who has adopted from a country that does have large numbers of babies abandoned and does have safe havens. The issue in this bill is an attempt, as many have stated very well, to save lives. Unfortunately, where there is a life without a heredity or a genealogy, there is still a life. And I have read the Governor's veto and I think those statements about the future adjustment are well taken. But as we know as Americans, life, liberty and the pursuit of happiness. Life is still the 'trump card'. Thank you, Mr. Speaker."

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

"Mr. Speaker, I rise in favor of this measure, and simply request that the words of the Vice Chairman of the Health Committee and the representative from Hawaii Kai be adopted as my own, and I ask for a yes vote on this important Keiki Caucus measure. Thank you."

Representative Ching rose to respond, stating:

"Thank you, Mr. Speaker. And I appreciate the indulgence of this body. And I take very special interest in this bill, as many of you may know, because I'm adopted. And, so, being at the adoption circle, I can speak on behalf of those babies who grow up.

"I guess I'm not saying this in plain English enough. Maybe I need to be more articulate about it. There is absolutely no proof that this ends abandon babies. And I refer to the Evan B. Donaldson Adoption Institute out of Wall Street, New York, New York. Unintended consequences. Safe haven laws are causing problems, not solving them. And they came out with an NCSL report that says, that since we conducted this comprehensive survey of infant abandonment, actually it didn't even have an affect. There were still

many abandonments. There just were, because people who are going to abandon their babies, are just going to abandon them. But I can assure you, there are ruined lives for those that would have been properly taken care of.

"We're talking about, when we talk about abandoned babies, there are accounts of that on the mainland, but Hawaii's unique. Hawaii doesn't have that problem. I call this the 'Chicken Little' bill. 'The sky is falling, the sky is falling.' Everyone is familiar with the Chicken Little fairy tale. It's about a little chicken who gets hit on the head with an acorn and says to all his poultry friends and his farm animals, 'The sky is falling.' And so they run and they follow the Chicken Little. They follow all these other states, and what happens they follow right into the jaws of the fox.

"I am a mother. I know how much a baby needs, and I would never support a bill that would put anyone's child in danger. But I'm also an adopted child and I speak on behalf of those children. It's funny that anyone would put heredity first. It's not about putting heredity first. It is, of course, putting the child's life first. But what I'm saying is in plain language, this does not assure that you save those babies, but it does assure you ruin someone's life.

"You know, I'm just concerned that people are not aware that there are a number of states that are looking at these laws, but it's going to be too late 20 years from now when you can talk to somebody and they say, 'Well, I don't know. I don't know.' It's a fundamental question. Who am I? And where did I come from? If you take philosophy, if you know philosophical. It's a fundamental question. Who am I? And where did I come from? And I maintain that this bill takes away all of that. It takes away medical history. And it doesn't have any proof that it saves lives. Thank you."

Representative Shimabukuro rose, stating:

"I just have a point of order. For clarification, I think the Vice Chair of Health meant to include the comments of the Representative from Nanakuli, not Makakilo. Thank you."

Representative Mizuno rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Mizuno's written remarks are as follows:

"1. Again, this measure is not about adoption, lineage, or heritage. All are important concerns, but we only get to these topics if the new born baby is first saved. For our babies who are abandoned and die, adoption, their genealogy or heritage would not become an issue.

"2. In fact, one of the most alarming concerns I have, are for those babies who are left in a dumpster or grave and never found. They will not be counted as a death or even a statistic, never given a proper burial, nor a chance to grow, attend school, play games, contribute to our community. Remember, adoption is not an issue if the baby dies.

"3. The right to life is a fundamental right – guaranteed by both our State Constitution in Article 1, Section 5 and U.S. Constitution in the 14th Amendment, which provides in relevant part, that "no person shall be deprived of life, liberty or property..."

"4. We are really saving two lives; first we are saving the new born baby from death and second the mother. If the mother is caught abandoning her baby and the baby dies, she will most likely be prosecuted for murder or manslaughter at the least. National data indicates that a mother prosecuted for murdering her new born will probably get a sentence of 25 years to life and cost the state approximately \$1 million to house them in a correctional facility

"5. We are confident that we have addressed all of the concerns by the Governor and that the right to life will prevail (adoption or heritage is moot if the baby is dead).

"6. This is a simple test – balancing: the right to life of our new born baby versus the empirical data of the mother (medical history). We need to do everything we can to protect the most vulnerable in our population, which are our newborn babies. Members, it's time let's pass this measure and save lives!"

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1830, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD PROTECTION," passed Third Reading by a vote of 45 ayes to 2 noes, with Representatives Ching and Meyer voting no, and with Representatives Carroll, Saiki, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1143) recommending that H.B. No. 34, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 34, pass Third Reading, seconded by Representative B. Oshiro.

Representative Caldwell rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Caldwell's written remarks are as follows:

"It was Dr. Martin Luther King, Jr. who once said, "In the end, we will remember not the words of our enemies, but the silence of our friends." For the past four years, the situation in Darfur has deteriorated and the international community has failed to take meaningful action. Since last December, the humanitarian situation there has spiraled out of control. Former Senator Bill Frist recently returned from a medical mission trip in Darfur, and wrote this in the *Washington Times* on March 4, 2007:

In the last few months, an all-out war has begun against the 13,000 foreign aid workers in Darfur. This has dried up humanitarian assistance flows on which Darfur depends. As many as 400,000 noncombatants have already died in Darfur. These new attacks could easily bring the toll above a million.

"The Sudanese government is directly responsible for the violence, as financially and militarily supports the murderous Janjaweed militia, continues to mount air raids against civilians, and refuses to allow desperately needed U.N. peacekeepers into the country.

"Our country already prohibits American companies from doing business in Sudan. However, American investment companies are free to invest billions of dollars in the Asian and European companies who prop up the Sudanese government. HB 34 would divest the State of Hawaii Employee Retirement System from targeted companies whose dealings aid the government's genocidal actions, but have minimal positive impact on common Sudanese people. An example of such a company is PetroChina, a Chinese energy company that has built airports from which Sudanese air raids are conducted, and which is protected by 3,000 Chinese troops stationed in Sudan. The ERS investments in companies like these help fund genocide, as more than seventy-percent of Sudan's oil revenue is spent on its military. Moreover, these kinds of investments evade pre-existing sanctions against Sudan in a roundabout manner. Investing in companies that financially support Sudan's military flaunt these sanctions and effectively makes the State of Hawaii complicit in genocide.

"To understand our responsibility to stop genocide, we must look at its historical context. During the Nazi holocaust, at least nine-million people died while the rest of the world refused to get involved. In response, the U.N. introduced the Genocide Convention in 1948, which the United States signed on to in 1988. This convention requires the international community to prevent and stop genocide wherever it occurs. That we have allowed genocide to continue in Darfur for the past four years is shameful and sets a

dangerous precedent. N.A.T.O. intervention effectively ended the Bosnian genocide after 10,000 people died, yet many more people have died in Sudan and the Sudanese government shows no sign of change. There is much more that the international community can do to pressure Sudan, and divestment is a step in the right direction. What is at stake is not only the future of Sudan, but the future of the world we live in. Are we to live in a world where genocide is met with apathy or compassion? Passing HB 34 is the least we can do to pressure the Sudanese government and contribute to a larger effort to stop the violence."

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

"Mr. Speaker, very briefly, and in strongest support. This bill asks the State of Hawaii to divest any of its investments from our ERS in the Sudan. Therefore, where there is a tragedy going on, where there's really a tragedy of the worst proportion. It's genocide.

"I'm just going to begin and end these comments with the following numbers: 400,000 are dead in Darfur. And, 2.3 million Sudanese are displaced, and thousands are raped every month. Thousands of women are raped every month in Darfur. It's the very least that we can do as a body to send a message to the other states in our country, to our Governor, and to the President of the United States. We divest a small amount of money that we have invested in that country so that the people around the world can say that Hawaii, for one, says it has to stop. Thank you."

Representative Takumi rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Takumi's written remarks are as follows:

"Mr. Speaker, we all need to be concerned about the staggering atrocities occurring in the Darfur region of Africa's largest country, Sudan. It is hard to fathom the carnage and destruction: over 400,000 deaths, another 2.5 million displaced, and 90 percent of Darfur's villages destroyed.

"It's easy to forget that these impersonal numbers reflect personal stories such as those reported by Nicholas Kristof of the *New York Times*: "Refugees fleeing to Kalma from a village called Saleya described how nine boys were seized by the Janjaweed (the government-backed militia) stripped naked and tied up, their noses and ears cut off and their eyes gouged out. They were then shot dead and left near a public well. Nearby villagers got the message and fled." (*New York Times*, June 7, 2005)

"In the face of such human catastrophe, one can't help but recall Holocaust survivor Elie Wiesel's admonition that "to remain silent and indifferent is the greatest sin of all." Fortunately, there are a growing number of voices that are speaking out and making a difference. The Congress and President Bush have all agreed with the United Nations that the genocidal policy of the Sudanese government is the worst humanitarian disaster in the world today. While laws have been passed in the U.S. that prohibits American companies from doing business in the Sudan, dozens of foreign companies continue to profit off of this tragedy.

"Unfortunately, the investment community in the U.S. still continues to hold stocks in some of these worst offending foreign companies. For example, Warren Buffet's Berkshire Hathaway is a large investor in PetroChina whose parent company is active in Sudan. The Sudanese government then uses the revenue from these oil investments to fund its military's campaign of ethnic cleansing in Darfur.

"Hawaii has the opportunity to join a growing number of states, six at last count, by directing the Employees Retirement System (ERS) to divest from a limited number of foreign companies whose investments serve to prop up the Sudanese regime. The measure

before us is carefully crafted to limit the ERS' financial risk by targeting roughly two dozen multinational corporations out of approximately 400 companies doing business in Sudan. By being selective in where the divestment should occur, it puts economic pressure on the Sudanese government without hurting community-based investments that benefit the people. Well-respected organizations such as Human Rights Watch and the International Crisis Group endorse this approach.

"The bill gives the ERS 15 months to see if the "worst-offending" companies are responsive to change and, if not, to then completely divest. Furthermore, if the ERS drops below 99.51 percent of its investment value without divestment, it can reinvest in certain companies. With a portfolio currently at \$10.7 billion, this would mean that a drop of roughly \$52 million would relax the bill's divestment requirements. All these provisions will allow us to disassociate from investments that fund genocide while being financially prudent.

"Whether or not divesting our pension funds in this manner will end the genocide in Sudan is not certain. However, what is certain is that by doing so, we affirm our belief that investments are not only about how many cents you earn on the dollar, but how much moral sense it makes as well. After all, genocide tragically happens from time to time, but it shouldn't be on our dime."

Representative Mizuno rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Mizuno's written remarks are as follows:

"I am in support of this measure, HB 34, Mr. Speaker. The purpose of this measure is to express Hawaii's opposition to the humanitarian crisis presently occurring in the Darfur Region of Sudan, by prohibiting the Employees' Retirement System from acquiring securities of companies that have active business operations with Sudan.

"I support this measure as it intends to make a statement for the protection of lives and to make a statement against genocide or any offensive acts towards human life or rights.

"I commend the introducers of this measure and note that the Lieutenant Governor and some of the Administration's offices also provided testimony in support of this measure."

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

Representative Cabanilla's written remarks are as follows:

"Mr. Speaker, I rise in strong support of Standing Committee Report No. 1143 for House Bill No. 34, Relating to the Employee Retirement System. The purpose of this measure is to express Hawaii's opposition to the humanitarian crisis presently occurring in the Darfur Region of Sudan by prohibiting the Employees' Retirement System (ERS) from investing in securities of companies that have active business operations with Sudan.

"The late President Ronald Reagan said, "Freedom is never more than one generation away from extinction. We didn't pass it to our children in the bloodstream. It must be fought for, protected, and handed on for them to do the same." HB34 is an important measure because it boldly states that Hawaii will not idly stand by those who oppress and torment a people through acts of genocide and injustice. As long as Sudan continues to support paramilitary forces such as the Janjaweed which raid villages, rape women, and torture children, as long as Sudanese Air Force An-26s, MiG-29s, and Mi-24s bomb civilians and intercept humanitarian aircraft, we will not be complicit in dealing with them.

"Mr. Speaker, if you keep running from the schoolyard bully, he keeps on chasing you. But if you stop, turn around, and hit him really hard in a sensitive spot, he thinks twice about persisting in pursuit of you. It's time that we told Sudan that genocide is wrong and that we will not look the other way while they torment the people of Darfur. I vote a strong "yes" and urge my colleagues to do the same, because we have to let our children know that there were those who fought injustice with others chose to collaborate."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 34, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Third Reading by a vote of 47 ayes, with Representatives Carroll, Saiki, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1146) recommending that H.B. No. 1561, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1561, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising in opposition to this measure. This is relating to labor, the cross check requirement. This bill would force employers and employees to enter into cross check agreements as a condition of receiving State work or money from the State.

"You may wonder what is a cross check agreement? It's an agreement that stipulates that the employer agrees to a union agent to advocate for the union by meeting with workers and soliciting them to sign a card supporting the unionization of their shop. The employer agrees to recognize the union once they sign up with simple majority of workers and to bypass the secret ballot election process employees usually use to vote on whether to be unionized or not. Nothing in state or federal law prevents an employer from voluntarily entering into an agreement with a labor organization that wants to organize and do cross checking.

"The federal law has a long tradition of recognizing the rights of workers to join labor unions. Since the passage of the Wagner Act in 1935, federal law has protected employees' exercise of their free choice to decide whether to join the union. Mr. Speaker, the affect of this bill would be to allow labor union organizers to use the cross check procedure to intimidate employees of certain firms into voting for union representation. Currently, voting on whether to join a union is done by secret ballot. No one knows how anyone voted. This bill would eliminate the fundamental protection of the rights of workers.

"In essence, union representatives could coerce employees individually. Take two or three of them. They may be going out to the truck or maybe they might catch them at the local watering hole, or whatever, but just take them on one at a time. Then they might be asked to sign a card saying that an employee favored the idea of unionizing a business. If they refused, if they were not cooperative, then the union organizer would know who were opposed to the union and they could retaliate against them. This is exactly the same as if union representatives or members of some other special interest group were allowed during a political election to follow you into the voting booth, telling you who you should vote for, and then threaten your job or even your physical safety if you didn't 'toe the line'. Would anyone in this Chamber put up with such a fundamental invasion of their right to privacy?

"Mr. Speaker, why should our rights during a union election be any less than during a political election? The cornerstone of our democracy is the right to a secret ballot. Are we willing to join the company of despotic regimes that confiscate this fundamental

protection of the integrity of elections? I think not. Thank you, Mr. Speaker."

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

"Thank you very much, Mr. Speaker. I stand in support. Mr. Speaker, it was rather ironic to hear the previous speaker talked about the intimidation and all the rest of it. In 2005, a study was done by the University of Illinois in Chicago, and they found the following truth about how employers go about intimidating workers who exercised their right to form a union. 30% fired were union workers. 40% threatened to close work sites if workers chose to unionize. And 90%, a vast majority, forced workers to attend one-on-one meetings where they talk singly, alone with that worker about their views about having a union. Is it any wonder that in 91% of union elections, the majority of workers indicate they want to have a union, but after months and years in some cases of intimidation by the employers, less than one-third of those workers actually end up voting for a union. I do not go chapter and verse, Mr. Speaker, about examples of workers who have been fired from their jobs for exercising the rights as guaranteed by law.

"It's interesting we talk about despotic regimes and so on. The latest institution to exercise that is the U.S. Congress which just passed out the Employee Free Choice Act the other day, 241 to 185. So H.B. 800 has now passed the House and will go to the Senate that would do precisely this. Thank you very much, Mr. Speaker."

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

"Mr. Speaker, in support. I request the words of the Chair of Education be incorporated into the Journal as my own. And I'd like to state that this bill seeks to ensure the labor organization process is fair and with a minimal conflict with the employers.

"H.B. 1561 will establish labor representation procedures in development in which the State or counties have an ongoing propriety interest. Specifically, the bill allows for cross check procedures to be implemented. These procedures are aimed at reducing cost to employees and employers by voting potential work stoppages and other costs associated with labor conflicts.

"The bill adds a new chapter to HRS and provides for various cross check or card check procedures, including the following: One, employers working on State or county projects must enter into a cross check agreement. If the parties are unable to agree on the cross check agreement, after 60 days the bill provides for binding arbitration. Two, it includes in subcontract the requirement of compliance with this Chapter. And three, penalties for noncompliance.

"In short, H.B. 1561 is a simple, yet very effective way of ensuring efficient organization of labor with the least possible amount of conflict with employers. The bill will prevent possible intimidation of workers who seek to gain representation via the labor organization and allow them access to resources provided by such organizations for their benefit. 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. 1561, entitled: "A BILL FOR AN ACT RELATING TO LABOR," passed Third Reading by a vote of 42 ayes to 5 noes, with Representatives Ching, Finnegan, Marumoto, Meyer and Ward voting no, and with Representatives Carroll, Saiki, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1147) recommending that H.B. No. 569, pass 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. 569, entitled: "A BILL FOR AN ACT RELATING TO TOURISM," passed Third Reading by a vote of 47 ayes, with Representatives Carroll, Saiki, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1148) recommending that H.B. No. 1352, HD 1, pass 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. 1352, HD 1, entitled: "A BILL FOR AN ACT ESTABLISHING A COMMISSION TO PLAN FOR THE FIFTIETH ANNIVERSARY OF HAWAII STATEHOOD," passed Third Reading by a vote of 47 ayes, with Representatives Carroll, Saiki, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1149) recommending that H.B. No. 567, HD 1, pass 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. 567, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR SPORTS FACILITY," passed Third Reading by a vote of 46 ayes to 1 no, with Representative Rhoads voting no, and Representatives Carroll, Saiki, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1152) recommending that H.B. No. 895, HD 1, as amended in HD 2, pass 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. 895, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES," passed Third Reading by a vote of 46 ayes to 1 no, with Representative Brower voting no, and Representatives Carroll, Saiki, Takai and Thielen being excused.

At 6:09 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1830, HD 2	H.B. No. 1352, HD 1
H.B. No. 34	H.B. No. 567, HD 1
H.B. No. 1561	H.B. No. 895, HD 2
H.B. No. 569	

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1155) recommending that H.B. No. 56, HD 2, as amended in HD 3, pass 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. 56, HD 3, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 45 ayes to 3 noes, with Representatives Evans, Marumoto and Meyer voting no, and with Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1158) recommending that H.B. No. 1435, as amended in HD 1, pass 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. 1435, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE OF HAWAII ENDOWMENT FUND," passed Third Reading by a vote of 48 ayes, with Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1159) recommending that H.B. No. 751, as amended in HD 1, pass 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. 751, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Marumoto voting no, and Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1160) recommending that H.B. No. 758, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 758, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I am in opposition to Stand. Com. Rep. No. 1160 and will say briefly and ask for comments into the Journal. Basically, it's a micromanaging and taking business, I believe, to the extent where we have to tell them to give employees a break. In the Finance Committee I asked, 'Does anyone have proof of any business in any part of Hawaii working anybody for five hours and not giving a break?' There's no evidence that this is not already been provided for. I think if we get down to the point where we have got to say, 'break now,' we're really over-steering the economy and those who are at the risk of the small business community."

Representative Ward's written remarks are as follows:

"Mr. Speaker, I am in opposition. This bill requires employers with 50 or more employees to allow rest or meal periods for employees who work more than five consecutive hours. With the exception of Child Labor Laws for 14 and 15 year old minors, no State or federal law requires meal or other break periods.

"This bill is unnecessary, however, as many employers already provide meal breaks or other break periods voluntarily for their employees. Employers are aware that employees need periodic breaks from their work to be effective, and realize that productivity is better when employees are rested and in good health. In other words, Mr. Speaker, this is already happening.

"On another point Mr. Speaker, this bill does not consider that some employees may want the option of working through breaks or meals. It is common that employees will request to work through the work period, so they can go home early. In this time of incredible rush hour traffic, this is a regular request. Employees may also need or want to get a job done on time, and need the time of the break period to get it done. A lot of our staff face this situation on a daily basis.

"Mr. Speaker, this bill will have a negative effect on business. The increase of government mandates will increase the costs to businesses, and that will have a negative effect on the economy. For instance, in the retail industry and other related industries, superior customer service is required for success. This requires well developed staffing schedules in order to insure the customers will be assisted. By mandating a single, standard requirement in an industry of a variety of requirements, businesses will not have the flexibility to meet the needs of its operations.

"This bill is also too difficult to enforce. The Department of Labor and Industrial Relations testifies that they lack the resources to enforce this Act. The scope of this law will add additional investigation requirements and will further serve to increase pressure on an overburdened department staff of seven investigators who are

responsible for conducting more than 700 investigations and responding to more than 22,000 inquiries annually. We do not appear willing to increase the resources to the department in this area.

"Mr. Speaker, for all of these reasons, I am in opposition to this measure."

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

"I'd like to point out that the measure will exclude businesses with 50 or fewer employees. Also we've been working for over five hours without a meal break, so, obviously, it is a problem out in the real world as it is here. This measure will ensure that those large companies with 50 or more employees will provide this opportunity for their employees to have a meal break. Thank you."

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

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

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

Representative Berg 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."

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

Representative Awana 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 Awana's written remarks are as follows:

"Thank you, Mr. Speaker. I am in support with reservations. There have been numerous situations where an employee wanted or needed to rest, but unfortunately the needs of the workplace superseded the health and safety of the employee. I am quite sure that this bill stems from such a concern.

"On the other hand, situations arise when employees are requesting to work without a break in order to complete their work shift earlier. I believe this bill will hamper the employee from being allowed to work straight through their shift. Both situations place legislators in a precarious situation depending upon the needs of both the employee and employer. However, the safety of our workforce should always serve as our highest priority. Thank you, Mr. Speaker."

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

"Mr. Speaker, in opposition. And I was just wondering if we were going to take a recess so our employees can take a break for dinner."

The Chair responded, stating:

"We will take a break right after we finish."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 758, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEES," passed Third Reading by a vote of 43 ayes to 5 noes, with Representatives Ching, Finnegan, Marumoto, Meyer and Ward voting no, and with Representatives Carroll, Takai and Thielen being excused.



Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1161) recommending that H.B. No. 760, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 760, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising in opposition to this bill, Stand. Com. Rep. No. 1161, relating to a living wage for workers on service contracts. In opposition.

"I'm concerned that this will set up two minimum wage floors. That's what the minimum wage is for. And now we're setting a new entity which is a living wage. I guess, I just believe in the free market. Right now, we have an unbelievable figure of unemployment. Anybody who wants to work can find a job. People are having to pay significantly more than the minimum wage. If we think that the minimum wage is not effective, I guess we can look at raising that again. But to have this two-tiered arrangement, I'm just not in favor of it. 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. 760, HD 2, entitled: "A BILL FOR AN ACT RELATING TO A LIVING WAGE FOR WORKERS ON SERVICE CONTRACTS," passed Third Reading by a vote of 43 ayes to 5 noes, with Representatives Ching, Finnegan, Marumoto, Meyer and Ward voting no, and with Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1162) recommending that H.B. No. 763, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 763, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Takamine rose in opposition to the measure, and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Takamine's written remarks are as follows:

"Mr. Speaker, I am against H.B. 763. I appreciate the effort that went into fashioning House Bill 763. While it contains a number of good provisions, there are two particular concerns that force me to oppose it at this time.

"First, Mr. Speaker, is the additional exemptions written into the bill. It took over four decades to create the nine categories of exemptions, currently part of the worker's compensation law. I understand that the worker's compensation law is intended to be broad-based, to provide the protections to any worker who is injured while in the course of their employment.

"Yet the bill before us would increase the number of exemptions to the law, by almost 50%, increasing the number of exempt categories from 9 to 13. 30,000 is the number of people that has been mentioned, that would go from protected employees under the current law, to no longer being covered by the law.

"But my concern is not merely the number of people affected, Mr. Speaker, my concern is that we have yet to be provided with critical information. Specifically, the Department of Labor and Industrial Relations, which administers the worker's compensation law, and testified in support of the additional exemptions, failed to provide significant and relevant information.

"This included the number of those individuals that would be exempted, who had actually filed worker's compensation claims, and how much they had collected. This would give us a clearer understanding of what impact removal of these individuals from coverage, would have on the total premium picture. This would provide us with some insight, regarding the economic consequences of this specific action, especially on employers.

"Mr. Speaker, because worker's compensation has always been a sensitive issue, I believe that it is not prudent for us to be rushing into expanding the number of exemptions as proposed in this bill, without knowing the clear economic consequences that will follow. I submit this would not be wise policy making.

"Moreover, Mr. Speaker, another provision in the bill would include the so-called "ODG" guidelines in the law. While the bill proposes that the guidelines only be "optional", it is noteworthy that no one from the medical community supported this provision, and in fact all of the testimony from the medical community on this provision was against including it.

"One of the critical factors adversely affecting the worker's compensation system is the lack of doctors who are willing to treat workers with industrial injuries. This factor alone is a major impediment to injured workers, and prevents them from receiving the basic benefits intended under the law.

"Testimony heard by your Labor Committee indicated that this is due a number of reasons, including the bureaucratic paperwork that is necessary to get paid, and the hurdles created by adjusters who attempt to limit the medical treatment approved for the injured workers.

"Given this concern, it seems we would be adding to the problem by including factors in the law that the medical community is against. Particularly on the Neighbor Islands, this is a very serious concern. Many injured workers are having grave difficulties finding a doctor who will treat them, and therefore, are being forced to deal with all of the adverse consequences of not receiving adequate medical care promptly.

"Mr. Speaker, though, there are some provisions in the bill that I feel would improve the law, for the above-stated reasons, I will be voting no."

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

"On Stand. Com. Rep. No. 1162, H.B. 763, H.D. 2 Relating to Worker's Compensation. I was in opposition to this measure. I'm just wondering whether it's the right vote after the previous Representative's announcement. However, a similar bill was passed by the Legislature last year and was vetoed by the Governor. And for the same reasons, I am in opposition.

"Also, there isn't any method of selecting a doctor and conducting an independent medical examination and so I question that process. I think the new process will delay independent medical examinations and I think this would be a mistake. I think any determination of the end of temporary total disability should be made by a doctor and not by the Department of Labor. Thank you very much."

Representative Takamine rose, stating:

"You know the previous speaker was contemplating reaching the same position. I'm sure it was for very different reasons. Thank you."

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

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

Representative Sonson rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Sonson's written remarks are as follows:

"I am in strong support of this measure.

"The purpose of H.B. 763 is to make changes to the process by which workers' compensation claims and investigations are carried out in order to ensure the efficiency and fairness of the workers' compensation system. The current system is burdensome to employers and injured workers because of the costs of workers' compensation premiums, the potential for bias in independent medical evaluations and the delay and length in the resolution of claims.

"H.B. 763 makes the following major changes to HRS Chapter 386:

- 1 Exempts from Workers' Compensation requirements:
  - Individuals holding ownership of at least 50 % in an employing unit, including corporations, partnerships, limited liability partnerships, and sole proprietorships, if the individual chooses to be excluded, provided that the exclusion shall be irrevocable for five years;
  - A partner of a partnership, a partner of a limited liability partnership, and sole proprietor from workers' compensation requirements;
- 2 Prevents *essential medical services* from being discontinued in the event of a dispute, until the Director renders a decision on whether medical treatment should be continued;
- 3 Prevents *Temporary Total Disability benefits* from being terminated until the Director issues an order or if the employee's treating physician determines that the employee is able to resume work and the employer has made a bona fide offer of suitable work within the employee's medical restrictions.
- 4 Allows for the *recovery of costs* from a claimant's personal health care provider or other appropriate occupational or non-occupational insurer by an employer or employer's insurer in the event unwarranted medical treatment was provided;
- 5 Allows injured workers to be referred for *vocational rehabilitation* where the employee has achieved maximum medical improvement and the employer has made no offer of permanent suitable work;
- 6 Establishes criteria for the use of optional *evidence-based guidelines* for treatment and for the denial and dispute processes; Medical providers may use the most recent edition of "Worker's Comp," or any other guideline approved by the Director.
  - Presumption: treatment guidelines are presumed to be medically necessary and correct, and may be rebutted by a preponderance of medical evidence.
- 7 Provides for reimbursement of medical treatment expenses which should have been denied;
- 8 Allows for requests for hearings by employees and employers;
- 9 Limits the rulemaking powers of the Director;
- 10 Establishes requirements and standards for *independent medical examiners* to perform independent medical exams;
  - When parties cannot mutually agree on an IME, the Director provides three IME's. If the parties cannot choose, the Director appoints one IME.

- IME's must be licensed in Hawaii and subject to peer review, and be certified by the American Board of Independent Medical Examiners or other certification organization approved by the director.

- 11 Permits claims for attorney's services;
- 12 Requires the submission of *annual reports* by workers' compensation insurers to the Director and Insurance Commissioner of the Department of Commerce and Consumer Affairs;
- 13 Allows for *alternative dispute resolution* for workers' compensation claims.

"H.B. 763 is a comprehensive measure that seeks to address various issues by providing clear standards by which independent medical examiners are chosen and the method by which they carry out their examinations. The bill provides a mechanism for the selection of IME's and the necessary means for disputing examination results. H.B. 763 also provides a new means of claim resolution in the form of alternative dispute resolution and/or arbitration of claims. Relief is provided to certain classes of employers by exempting limited partners and sole proprietorships from having to comply with workers' compensation requirements. Injured workers are protected by the provisions in H.B. 763 which ensure continued medical treatment until a final determination of the claim by the director of labor and industrial relations.

"I urge all my colleagues in the House to vote in favor of this comprehensive and thorough bill."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 763, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION LAW," passed Third Reading by a vote of 44 ayes to 4 noes, with Representatives Marumoto, Meyer, Takamine and Takumi voting no, and with Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1164) recommending that H.B. No. 1082, HD 1, as amended in HD 2, pass 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. 1082, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BOARDS OF WATER SUPPLY," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Rhoads voting no, and Representatives Carroll, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1167) recommending that H.B. No. 1660, as amended in HD 1, pass 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. 1660, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Third Reading by a vote of 48 ayes, with Representatives Carroll, Takai and Thielen being excused.

At 6:18 o'clock p.m., the Chair noted that the following bills passed Third Reading:

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|---------------------|---------------------|
| H.B. No. 56, HD 3   | H.B. No. 760, HD 2  |
| H.B. No. 1435, HD 1 | H.B. No. 763, HD 2  |
| H.B. No. 751, HD 1  | H.B. No. 1082, HD 2 |
| H.B. No. 758, HD 2  | H.B. No. 1660, HD 1 |

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1168) recommending that H.B. No. 1043, HD 1, as amended in HD 2, pass 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. 1043, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1169) recommending that H.B. No. 1755, HD 1, pass 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. 1755, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX," passed Third Reading by a vote of 48 ayes to 1 no, with Representative Rhoads voting no, and Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1170) recommending that H.B. No. 859, HD 1, as amended in HD 2, pass 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. 859, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEES," passed Third Reading by a vote of 44 ayes to 5 noes, with Representatives Ching, Finnegan, Marumoto, Meyer and Pine voting no, and with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1171) recommending that H.B. No. 1500, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1500, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I appreciate your letting me go back on the page. I'm standing in opposition to H.B. 1500, H.D. 1. This is a bill dealing with unemployment insurance, unemployment benefits and the contributions that employers make into the Unemployment Fund.

"This bill, as it's written right now, will increase the weekly benefit allowance for unemployed workers from 70% to 80% of the average weekly wage. Right now, I think it's at 70% and it's probably the highest in the nation. The idea of increasing benefits at this time when we have such low employment just seems counter-intuitive. Jobs are available, they are readily available. The unemployment benefit was never considered to be something to make you whole, but something to hold you over until you find the next job. So, it seems strange that we're going to increase the benefits at this time.

"But the bigger problem with this bill is Section 3, which would bring us out of conformity with federal Rules regarding experience rating. This could trigger a whopping new federal tax bill. The total amount paid by business could actually increase under this bill with the lowered State employment insurance premiums offset by rising federal taxes.

"The bill purports to be lowering the premium for our employers. Right now Hawaii has one of the highest thresholds. The employer is paying on the first \$35,000 of their employee's wages. They are making contributions on that, into the Unemployment Trust Fund. We have over \$500 million in that trust fund right now. Employers

have been coming to the Legislature asking for at least the last four years if they could get some kind of relief because we just keep building up this Trust Fund and they keep having to pay into it, and they would like to have a little relief.

"This bill was sort of a compromise. It would raise the benefits for the employees and try to give the employer some kind of relief on their contributions. But because of the point that I have made that we would be out of conformity, it could actually cost them more.

"The other thing is, Hawaii, like many other states, has an experience rating when they figure what an employer must pay into the Unemployment Fund. That means that the Department of Labor takes a look at their experience, how many of their employees have lost their jobs? How many have been collecting benefits? And the companies that have not such good experience or they have lots of employees taking out of the Fund, will pay a slightly higher rate than those that have had very few employees collecting unemployment.

"But the bill, how it's worded, all companies would be treated the same. I think if you really want to give employers a break, and acknowledge the fact that they've been paying a lot and we've collected a lot of money in that Unemployment Fund, the way they should do it would be to adopt a language from H.B. 1385, which simply lowers the maximum taxable wage rate base from \$35,000 to the national average of \$13,000 for the next five years. This was an attempt to kind of help both sides, but I think it's pretty much failed. Thank you."

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

Representative Marumoto rose, stating:

"Mr. Speaker, I had wanted to speak on 1171, but I will insert my comments, but just a parting shot. This could be the best business bill that we could enact if we followed some of the recommendations spelled out by the Minority Floor Leader."

Representative Marumoto's written remarks are as follows:

"In rising to speak in favor of HB 1500, I believe that this bill could be the best thing to help businesses, job creation and the economy as a whole in Hawaii today.

"In the Unemployment Security Fund sits half a billion dollars – a lot of money that could be used in Hawaii's economy rather than sitting idly in a fund. It can only be accessed when unemployed people file for unemployment compensation. And with our low unemployment rate in recent years, the money keeps piling up uselessly in the bank.

"Employers are required to continue paying into the employment security tax into this Fund despite the large balance, and very few workers are filing for 'work comp' payments. What is needed is an unquestionably legal way to stem the flow of money into the UI Fund. A moratorium for a few years would be the best method to keep money in our businesses and in Hawaii's economy. This has been done twice before in recent memory. The money could be used for business expansion, salary increases, job expansion, increased revenues to government and even profits. The moratorium can be ended whenever necessary.

"Another certain method to stem the hemorrhage of money is to lower the taxable wage base on which the tax is calculated. The Governor has proposed a lower rate. Or calculate the base at \$7,000, the minimum required by federal law.

"If we cut the outflow of money from our businesses, it would be the best thing we can do for Hawaii's people. This could be the best bill to help employers and employees –especially since our economy now appears to be leveling off."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1500, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," passed Third Reading by a vote of 48 ayes to 1 no, with Representative Meyer voting no, and Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1174) recommending that H.B. No. 1067, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1067, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative McKelvey rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative McKelvey's written remarks are as follows:

"Mr. Speaker, I am in strong support of this measure. This bill would basically examine the Certificate Of Process (CON), a law that was enacted in the late 60s and has not been looked at by the Legislature since then. Think about what changes have occurred in the medical technology field since that time. To think that the process by which new facilities, equipment and medical delivery systems are allowed to come on line has not even been examined by this body in over 40 years is simply mind-boggling.

"The main intent of this bill is to convene a blue-ribbon panel composed of all the stakeholders in the health care industry to examine the CON and make recommendations to streamline the process or abolish it. The fact is that, despite the oft-cited federal government review of the process that came to the conclusion that the CON should be abolished; such a study does not have the buy-in of the doctors, the insurance providers, hospitals (public and private) and other entities that are involved in the health care industry in Hawaii.

"It is imperative to note for the public that no bill abolishing or even streamlining the CON will not even get a hearing by the first Committee if the stakeholders (with their fleet of lobbyists) don't sign off on such an effort. Without their buy-in, we will be in an endless cycle of these types of bills dying before even getting off the ground and, as such, things will never change.

"At the same time, I recognize the fear of those who think that this would be another study that would forestall any progress and that is why this panel has to complete their work in time for the 2008 session. Furthermore, changes are made to the CON in this bill that would flip the process so that the final hearing on the application would be held in the area where the project is located and if there is, as I like to call it, a split in the circuits, the local board would have the final say.

"As I said during my campaign, I envisioned the CON process being reformed to be like that of the court system with the appellate level, for lack of a better word, being on the island where the project is located. For my Oahu colleagues, it wouldn't change anything as it stands now. We put the date to 2009 to act like a stick so that if the panel fails to put forth their recommendations, or if the Legislature fails to act on them, then these changes to the CON that are embodied in this measure.

"Contrary to the actions of a very misguided malicious individual who has used the Internet and the newspapers to wage a hate war against Maui Memorial, this measure does not seek to punish Maui Memorial, but will actually help them in exempting them from certain CON processes as well, should the panel fail to do its work in

a timely manner. Right now Maui Memorial, even with affirmation from all sides, has to go through the CON process to obtain new equipment, expand facilities and so on. The time lost is essential, but the money spent on the process are funds that can be used for repair and maintenance, as well upgrading the facility instead of being spent on jumping through bureaucratic hoops.

"The most important point is that we in West Maui have been waiting for an emergency facility with a small hospital that would have long-term care attached for over thirty years. If the private group who will be working in conjunction with Maui Memorial and others has to go through the cost and time of the CON, it would make it much less likely that they would be able to do the project on time, if at all. I will acknowledge that this bill is a work in progress and there are things not in this bill that I would like to see occur. But I ask my colleagues to support this measure because this discussion is long overdue and if we don't do something now to modernize the system, then it could hinder all health care deliver systems and endanger the health and welfare of our citizens on all islands, but especially in West Maui."

Representative Bertram rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Bertram's written remarks are as follows:

"Thank you, Mr. Speaker. I am in support of HB 1067. This bill establishes a panel, appointed by the Governor and Legislative Leadership to study ways of reforming the Certificate of Need Process. The bill proposes to reform the Certificate of Need process which arose from the battle over the proposed second hospital for Maui, the Malulani Health & Medical Center.

"Rural communities frequently are left out when key decisions are made about their health services. I would like to say that it is an opportunity for the State of Hawaii to give the home island a voice when key decisions are made about their health services. I urge my colleagues to support this measure."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1067, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CERTIFICATES OF NEED," passed Third Reading by a vote of 48 ayes to 1 no, with Representative Sagum voting no, and Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1176) recommending that H.B. No. 1471, as amended in HD 1, pass 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. 1471, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC HEALTH," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1179) recommending that H.B. No. 1899, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1899, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Chong rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Chong's written remarks are as follows:

"Mr. Speaker, I am in support of HB 1899, HD2 relating to Kawai Nui Marsh. Mr. Speaker, for over 17 years the dispute between the State and the City over the Marsh's ownership and maintenance has prevented the restoration of the Marsh. I believe this bill provides a compromise whereby the State would take all the land and the City continues to maintain the levy.

"At present the Hannemann Administration and the Lingle Administration have entered into discussion with hopes of resolving this without legislation."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1899, HD 2, entitled: "A BILL FOR AN ACT RELATING TO KAWAI NUI MARSH," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1180) recommending that H.B. No. 1268, HD 2, as amended in HD 3, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1268, HD 3, pass Third Reading, seconded by Representative B. Oshiro.

Representative Ward rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ward's written remarks are as follows:

"Mr. Speaker, I am in support of House Bill 1268, House Draft 2. For Hawaii to prosper in the changing global economy, its work force must be more skilled and competitive in science and technology. Hawaii's education system is not preparing an adequate number of high school graduates with the basic science, technology, engineering, and mathematics (STEM) skills needed for the new economy. According to the National Center for Public Policy and Higher Education, Hawaii's eighth graders test well below the average in math and science - only 18% of eighth graders score proficient in math, and only 15% of eighth graders score proficient in science. The effects of this are felt further down line as enrollment in the UH college of engineering is down 25% since the mid 1980's. This proposal attempts to address this situation.

"This proposal establishes the "Hawaii Excellence in Science & Technology (HiEST)" Academy Program. The proposed program is based on the CISCO academies. CISCO academies are presently creating a pool of computer network skilled high school graduates, and the Hawaii Construction Academies that are producing a pool of apprenticeship-ready high school graduates for the construction industry. Prior to, and during this Legislative Session, the Administration has discussed modeling this concept on CISCO with the Department of Education. Their role in helping to formulate this proposal must not go unrecognized.

"The HiEST Academy will combine experiential project-based learning with a standards based applied science and math curriculum. The University of Hawaii Community Colleges would work with the DOE to integrate the HiEST Academy program into participating public schools. The primary focus would be at the 10<sup>th</sup> and 11<sup>th</sup> grades, and courses in the HiEST Academy will be taught by community college instructors or secondary school teachers trained and certified by these instructors. As an incentive to participate, students will receive both high school and community college credit.

"It is important to note that the HiEST Academy program is voluntary. Only those high schools interested in integrating the Academy into their curriculum and providing space and facilities to support the Academy would participate. It is anticipated that the distribution will be Statewide with two schools each on Kauai, Maui, and the Big Island, and eight distributed throughout Oahu.

"The initial 14 HiEST Academies would serve approximately 4,000 high school students. An additional 2,000 students would take math classes in 9<sup>th</sup> and 10<sup>th</sup> grades. At this level of participation, 1,000 HiEST Academy students would graduate from high school per year. These numbers will grow as the academies expand beyond the first 14 schools.

"This bill also establishes the Fostering Inspiration and Relevance Through Science & Technology (FIRST) Pre-academy program. The FIRST Academies are proposed to provide motivation for students to choose a path leading to enrollment in HiEST academy and to continue their STEM education into post-secondary institutions. Students would receive the most benefit from the HiEST Academy, if they are motivated and prepared to engage in STEM studies. Experts maintain that if middle-school students are not reached, not enough students entering high school have the necessary interest or preparation.

"The establishment of the FIRST Pre-academy program will address this problem. The program will coordinate, support and expand existing contextual learning program. It will create new programs to inspire late-elementary and middle school students and prepare them to enter a HiEST Academy. This program would equip middle school teachers with tools to better provide the knowledge and motivation.

"A good model program for this is the existing Project EAST (Environmental And Spatial Technology) program. This is a national program that provides students with current, advanced technologies to undertake service-oriented projects in the community.

"In Hawaii, Project EAST works closely with industry, the school, and community organizations and is currently in eight schools on the Neighbor Islands. Complexes which already host a contextual program such as Project EAST could be natural candidates for a HiEST Academy, and complexes that choose to host a HiEST Academy could be natural candidates for expansion of the Project EAST program, which could provide elements of the FIRST Pre-Academy Program. The synergies of innovative ideas and established programs help to increase the chances for success, chances that we must take in order to ride the wave of the global economy.

"This bill also establishes a "Professional Development In STEM for success" program. It is imperative that teachers have adequate knowledge of STEM to provide students with the tools they need to function in a global society where STEM skills are becoming a must in the workplace. The provisions in this bill provide a flexible program for all middle and high school teachers to obtain training at the UH through the College of Education.

"The College of Education at UH-Manoa would develop a variety of delivery options to reach as many teachers as possible. These varieties of training opportunities might include summer institutes, programs for extended breaks, week-end or evening classes, and distance learning to accommodate the variety of the needs of teachers to obtain this training. The intent is to offer all teachers the ability to earn Professional Development credits by improving their knowledge of STEM content in order to better serve Hawaii's students.

"Further, this bill establishes incentives to enter STEM teaching. The Department of Education has reported annual vacancies for about 30 science and 40 mathematics teachers for the past several years.

"A way to solve this program is to actively recruit people who have degrees in STEM subjects, either as new graduates seeking first jobs or professionals considering a mid-career change. The UH-Manoa College of Education has a partnership with the Hawaii Department of Education and the College of Tropical Agriculture and Human Resources currently has a Transition to Teaching (TTT) grant from the U.S. Department of Education to provide a \$1,500

stipend for three semesters to STEM participants in UH-Manoa's Post Baccalaureate Certificate in Secondary Education.

"Students who complete the program and pass the PRAXIS test must commit to teach for three years in the DOE system. The TTT program has enrolled 90 students since it began four-and-a-half years ago. The TTT program is now in its final recruitment for Spring 2007 because funding will terminate and cannot be renewed for the same field of study.

"This bill provides immediate funding to the TTT program to allow it to continue without a break in operations. At full recruitment, the program would produce 20 new science or mathematic teachers each year. This meets about 30% of the DOE estimated needs

"This bill also creates STEM Internships and Mentorship's. Experiential learning involves placing students in businesses and other organizations outside the school setting to work, observe or to be mentored by those currently engaged in professions. Experiential learning gives students an understanding of what the work place is like and what people in various fields do on the job.

"A number of national companies have begun establishing intern/mentorship programs as far down as middle school. If Hawaii companies do not begin establishing a relationship with their future workforce, companies outside of Hawaii will. The need for a Business/Education partnership that would create internship and mentorship opportunities was identified by the Governor's Economic Momentum commission. The proposed business/education internship and mentorship program would focus on building business support and involvement in a range of internship program.

"The Department of Business and Economic Development and Tourism intends to contract with third-party partners for this program. A major focus during the "start-up" will be to develop a best practice manual and guide to make internships effective for both those providing and receiving the internships.

"This bill also creates Endowed STEM Chairs to attract eminent scholars to Hawaii. An endowed position is funded from the revenues generated by a significant up-front investment and can be used to fully or partially pay for the salary of the holder of the position. The benefits of an investment in an endowed position include increased research funding, increased prestige for the University that will help attract other top talent, and improved opportunities for students to learn and participate in high caliber research projects.

"It is estimated that a \$3 to \$6 million initial investment could return between \$5 and \$20 million in research funding over a 10 year period. There are many examples of this type of investment working in other states.

"The creation of 32 endowed positions at the University of Texas in the mid-1980s is cited as a major factor in the decision of Microelectronic and Computer Technology Corporation and Sematech to locate in Austin, laying the foundation for the rapid growth of its high technology sector.

"Wake Forest University recruited a life sciences researcher from Harvard, along with his 20 person research team. In his first two years at Wake Forest, the size of his research team tripled, two companies relocated from the Northeast, and 15 patent applications were filed.

"The University of Hawaii has a little over two dozen endowed chairs and professorships, with only five in non-health-related STEM disciplines. The funding proposed in this measure could fund up to five additional endowed chairs in STEM areas, and the funds would only be expended if there is a private sector match.

"As a final point, Mr. Speaker, this measure has broad support and should not even be considered controversial. Usually, where there is controversy, there is a lot of testimony in opposition. This bill only had one piece of testimony in opposition.

"When this bill was heard by the House Committees on Education and Higher Education, 59 individuals or organizations, not including the Administration, submitted testimony. 9 of the 59 were in strong support, 48 were in support, 1 supported the intent, and 1 was in opposition.

"In the Senate, before the Committees on Education and Economic Development & Taxation, 11 testimonies were in strong support, 46 in support, 3 supported the intent, no one opposed the idea, and 30 of the testimonies were from different entities that those who testified before the House. In total, 88 individuals or organizations believes that these proposals were worthy of support.

"Key supporters of this initiative include:

The leadership from UH, HPU and Chaminade University of Honolulu who believe that STEM education is essential;

Students and their parents who found value in contextual program;

Teachers who lament the lack of preparation and excitement they find in students;

Owners of small businesses who struggle to find qualified employees to help their companies grow; and

Leaders of large corporations who see these proposals as a way for overall improvements of the workforce.

"Mr. Speaker, for all of these reasons, I stand in support of this good bill and hope that my colleagues will offer their unequivocal support as well. Thank you."

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

"Thank you very much, Mr. Speaker. I stand with reservations on this bill. I think I mentioned this before in previous readings and again, make no mistake about it: I think we all can support every opportunity we can give to our young people choices in a way that they learn and that way they can prepare themselves not just for the world of work, but for civil society, as well.

"Like I said earlier, my main concern about this measure as proposed is that it did not involve the very people who supposedly would benefit from it. Interestingly, about a week ago, your Committee on Education had an informational briefing so that the people from Gear Up and P-20 could come and explain their programs. For those Members who were not there, Gear Up is a program that targets at-risk young people and tries to encourage them to really dream about going to institutes of higher learning. They're very successful in doing that. It is a federally funded program. P-20 is a council that has been created and has existed for a number of years now. They recently got a big grant to continue their work. They bring together the early childhood, the K to 12 and higher education community to talk about a seamless transition as youngsters work their way through the educational system.

"These two organizations, Mr. Speaker, are really part and parcel of what's embedded in this bill to work on giving opportunities to young people. Needless to say, I was a bit surprised to hear that Gear Up and P-20 haven't heard from the introducers of this bill to really try to see whether or not there can be some collaboration and some partnerships. Again, Mr. Speaker, there are many other players that are supposedly going to benefit from this initiative and yet, they have not been at the table. I know I haven't been in the Legislature as long as some of you have, but one of the things I've learned is if you're not

at the table, Mr. Speaker, more than likely, you're on the menu. Thank you."

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

"Thank you, Mr. Speaker. I'd like the words of the Representative from Pearl City entered as my own, except for the comment about being, 'part of the menu'. Thank you.

"Just a very brief comment. I stand in support. The concept of innovation is not new. The concept of innovation and creativity is a focal point of education. And I would hope that, as this bill moves forward and returns from the Senate, that we remember the civic mission of schools is to enable our young people to be part of our society in such a way that they will be innovative throughout their lives.

"So I hope, also, as we're looking at other future bills regarding education, that we particularly regard technology as a methodology and a vehicle towards learning more about being a citizen through the content fields of English and social studies, science and math, and not use technology as an end destination. Thank you very much."

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

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

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

"Thank you, Mr. Speaker. In strong support of this bill. In regards to the collaboration issue on this H.B. 1268, now that Gear Up and P-20 have been mentioned, I'm sure the Administration, as well as DBEDT, the Director of DBEDT have been so anxious to try and collaborate. Each time a name has come up, they've sought and have been going out and looking for feedback and they have collaborated with a lot of different areas.

"The process that we have in regards to hearings and taking testimony, and if these and others, which there are a lot of other programs out there, very good programs, like Gear Up and P-20. If they feel that they could be involved, it is also an opportunity for them to come to the table, and come and testify as to how they may be able to collaborate, as well. I guess, what I'm saying is there's a high threshold for collaboration right now placed upon DBEDT and the Governor's Office. If we keep on giving them a list, I'm sure they will go out there. But there is so many programs, good programs, and you can't in a short amount of time be able to collaborate with everyone.

"However, that opportunity is there in hearings to come and be able to express opinions on these bills. I don't think anyone has ever said that there aren't any very good innovative type programs within our system that exist today. So I just wanted to say that if we keep on naming others to collaborate with, I'm sure the aggressive, as well as the person that the Director of DBEDT is, would happily go out and do whatever he can. Thank you."

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

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

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

"I speak in strong support. Really briefly, it's been said over and over again that the introducers of the bill, which would be the Governor and her team, did not try to meet with certain individuals that this bill would most affect. I can't tell you how many times I've been in Committees that all of us introduce bills to either take a department or remove different things from a department, but we never even called the department chair or the director. So, I think if we're going to criticize someone, we should look at ourselves, as well.

"For example, 109 bills we want to take the powers away from the Governor. Did any of us go talk to the Governor? So, in fairness, this is a great idea, and I've said the first time that I spoke in favor of this bill, if you have complaints, try to get those people together. But very little effort was made by the people who continue to criticize this bill to get the Governor's team together with the people who they're seeing, that they're leaving out. So I don't find these comments sincere. We still have some time so let's start today and try to get these groups together and create a really good bill that everybody can feel that they contributed to and will be good for the students of Hawaii."

Representative Takumi rose to respond, stating:

"With reservations. Thank you very much, Mr. Speaker. Let me just comment. Still with some reservations on this measure. Let me just try to address the comments made by the Representative from Ewa Beach.

"Whenever you introduce a bill, Mr. Speaker, particularly when you say it's a comprehensive, well-thought out, ready to go bill, which is the advertisement proposed by the introducers of this bill. What that means in my mind is that you actually did, frankly, sit down and speak with the very people that are supposed to benefit from this bill. You don't introduce a bill and then say, 'Where is everybody? Why is everybody getting a little upset about this thing?'

"Secondly, Mr. Speaker, you don't put the burden on the collaboration and the getting together on the very stakeholders who supposedly will benefit from this bill on us. You do your own homework before you introduce a bill, Mr. Speaker.

"Let me give you one small example. I can only speak from the example of the prescription drug bill, a bill that took roughly two years to put together. You don't have to be a rocket scientist to figure out that if you're going to introduce a bill on prescription drugs, by all means, maybe you ought to talk to a few pharmacists, if not the Hawaii Pharmacists Association, the Hawaii Medical Association. Maybe you ought to talk to groups that advocate for seniors, or for those who are underinsured or uninsured when it comes to drug coverage. Maybe you ought to talk to HMSA and Kaiser and the very people that are in charge of dispensing drugs in our community through their plans. Maybe you ought to talk to the people at MedQUEST and Medicare. These are the kinds of things you do that are very basic and elementary to put together a bill that is comprehensive and is going to have some credibility and viability. Again, you do not introduce a bill and then say, 'Oh, yes, we didn't meet with these people.'

"Lasty Mr. Speaker, collaboration does not mean sending out a press release announcing what you're going to do. Collaboration means actually sitting down and trying to work out whatever differences you might have in a partnership, and hopefully, it can be a win-win situation for everyone. Thank you."

Representative Ward rose to respond, stating:

"Thank you, Mr. Speaker. Just for the record, from the Committee's own testimony, 59 people spoke at the hearing in the House Education and Higher Education Committee. 9 of the 59 were strongly in support of this bill. 48 were in support. 1 supported the intent, and 1 was opposed. Mr. Speaker, that shows that there's been quite a few people at the table. Some may have more elbows on the

table than others, but there's been quite a vetting of these 59 people at one sitting is quite a considerable amount.

"Perhaps, what is difficult about this and some of the Governor's other innovative, creative bills is that we're looking for a paradigm shift to adjust this State, its people, its economy to the future. America has lost its competitive niche. Hawaii has lots its competitive niche. Only 18% of eighth graders in this State are proficient in math. Only 15% of eighth graders in this State are proficient in science. As the Governor said, we have a global wave coming on our shores. Are we going to ride or are we going to get hit by it?"

"This is trying to say, 'Think science.' Do a bit scientifically in your studies. Give them an opportunity to go to some of these academies, and if it fits, wear it. If it doesn't, let's go on with it. But just because it's from the Governor ... It is a new paradigm. I think we have to look a little bit more objectively at the future of this State, the future of our children and the future of the global economy which is going to wait for no one, not this State, that's lived off its good looks for so long, lived off the sandalwood for so long, and other source of things, like tourism. We've got to change our thinking. This is part of the package. I think that's probably why there's a bit of opposition to it."

Representative Bertram rose in support of the measure and asked that the remarks of Representative Ward be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1268, HD 3, entitled: "A BILL FOR AN ACT RELATING TO INNOVATION IN EDUCATION," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

At 6:39 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1043, HD 2	H.B. No. 1067, HD 2
H.B. No. 1755, HD 1	H.B. No. 1471, HD 1
H.B. No. 859, HD 2	H.B. No. 1899, HD 2
H.B. No. 1500, HD 2	H.B. No. 1268, HD 3

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1186) recommending that H.B. No. 1001, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1001, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I just have written comments and I guess I'll stand up again if people have objections to the bill. I'm in support."

Representative Berg rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Berg's written remarks are as follows:

"Mr. Speaker, I am in opposition of HB 1001 HD1. I appreciate the vigilant and deliberate efforts of the Housing Committee through the leadership of the Committee Chair to rework the contents of the original bill, and significantly alter the original wording to expedite the process of developing land for affordable housing, and to provide a tax credit to developers.

"Although this measure has been significantly changed since its original form and appears to be moving in a more positive direction,

I still remain concerned about the general intention and encourage the next committees to consider the bigger picture of Hawaii's sustainability. A coherent plan needs to be articulated for development that considers our natural resources, quality of life of our residents, and the growing concerns of global climate change."

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

"Mr. Speaker, I rise with reservation. The only reservation I have is with the expedited process."

Representative Mizuno rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Mizuno's written remarks are as follows:

"I am in support of this measure, HB 1001, Mr. Speaker. The purpose of this measure is to encourage the development of affordable housing by seeking means to expedite the review and approval process, without adversely affecting our environment or our ceded lands.

"Although I believe this bill still needs to be improved, I truly feel that we should continue discussion on the very important issue of the development of affordable housing in Hawaii.

"I have been encouraged by the lengthy discussions between the Chair and Committee members of Housing, the State and counties, as well as other stakeholders, to find a solution to Hawaii's affordable housing and homeless crisis.

"Moreover, I commend the introducers of this measure, especially the Chair of the Committee on Human Service and Housing for her steadfast commitment to this issue. For all of the foregoing reasons, I support this measure."

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

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

Representative Finnegan 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 Finnegan's written remarks are as follows:

"Mr. Speaker, I have reservations. This bill has changed significantly since its initial introduction. This bill is meant to find ways to develop an expedited approval process to increase the amount of affordable and workforce for-sale housing projects and affordable rental housing projects. This is a very complex issue and I appreciate the tremendous amount of effort and time that the Chair of Housing spent on this bill thus far.

"I think this bill is a good start to increase affordable housing in Hawaii, but I do have a few concerns about this bill. This bill only applies to the City and County of Honolulu. If the counties of Maui, Kauai, and Hawaii do not wish to participate, they are not required to. Lack of affordable housing is a problem to Hawaii as a whole, not just to Oahu.

"I also think this bill is forcing friction between the State and the counties due to the fact that the counties think that the State is trying to force new rules on to them. I am voting with reservations on this bill because I believe we should work with the counties and find a solution. Thank you."

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



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

Representative Shimabukuro rose to respond, stating:

"Some of the key changes on H.D. 2 of this Majority Caucus bill are that the county can say 'no' to the project, and the project will end either at the agency level or at the county council level.

"In addition, after those additional deadlines, its 45 days on the agency and 45 days on the council. There is no time limit on the county to process the building and other ministerial permits as long as it's the county that gives the initial approval on the project.

"The bill also includes an appropriation to the county to hire additional staff to streamline the process which we've heard from Housing Hawaii is a very important aspect. It also provides funds for the county to include off-site infrastructure for the projects which for LURF was a big concern.

"H.D.2 also makes the affordability requirement much more stringent. All of the units must be 140% of the AMI, and 50% of that is 80% of the area median income or less. Affordability must be in perpetuity, which is a really good aspect. Environmental protections have been increased in addition to the EIS, SMA, cultural surveys, and everything was already required.

"The bill clarifies the Clean Water Act, asbestos, underwater storage and other environmental protections must be completed before submission of the application is submitted. Zoning concerns should be minimal. No agriculture, ceded, rural or conservation land is allowed for these projects. Only urban land located within the urban growth boundary identified by the counties is allowed. And have additional written comments. Thank you."

Representative Shimabukuro's written remarks are as follows:

"As you know Mr. Speaker, we are in a housing crisis. The original version of this bill proposed a simple, but shocking idea to solve this problem: exempt affordable rental projects from all environmental and cultural regulatory processes.

"However, as we have learned through discussions with diverse groups of stakeholders and legislators, the lack of affordable rentals is a multi-dimensional problem. The culmination of feedback provided the clarity of what should be our goal: one of maintaining balance between our long-standing community principles of environmental and cultural protection with expanding our inventory of affordable rentals.

"The synthesis of our goal is this bill's mature version. Under this proposal before you, the counties are now placed in a unique position to effectuate rapid and substantive change in our affordable rentals market.

"We focus on two economic segments of the population: rental housing and workforce housing.

"Approval times are trimmed and expedited once developers fulfill their obligation to comply with standing environmental and cultural laws.

"The Hawaii Housing and Finance Development Corporation is utilized to a larger degree by helping move development applications along when counties lag behind.

"Concerns about a developer's ability to fully integrate supporting infrastructure into the county systems are addressed.

"We propose financial support for counties to hire additional personnel to help implement this bill should it become law.

"Mr. Speaker, this bill is definitely a positive step in the right direction towards helping our citizens. I wish to thank especially the Finance Chair, Majority Leader, and your Office for their support of this bill. I urge my fellow Members to support House Bill 1001, HD 2."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1001, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Berg voting no, and Representatives Sagum, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1188) recommending that H.B. No. 338, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 338, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Meyer's written remarks are as follows:

"Mr. Speaker, I am in support of House Bill 338 because many of the Governor's innovations ideas have been inserted into this bill.

"If we are to prepare our young people for the global economy we must assure that they get the proper education, stimulation and training in STEM subjects.

"While I preferred the Governor's original bill, which requested the ERS invest a small portion of their Trust Fund in up and coming local Hi Tech businesses rather than using general funds."

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

Representative Ward rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ward's written remarks are as follows:

"Mr. Speaker, I am in support of House Bill 338, House Draft 2 with some reservations. We all believe innovation is the wave of the future for Hawaii. This bill does that through the creation of the Hawaii Innovation Special Fund, and I support that intent, but the Hawaii Innovation Partnership and special fund has some problems. This bill proposes to take one half of one percent out of the general revenues of the State for the next four fiscal years.

"One half of one percent does not seem like a lot of money, but in theory it could be upwards of \$100 million. This is a lot of money to be taking out of the general fund, money that could be better spent on teachers salaries, fixing our hospitals, incentives for doctors to stay in Hawaii, give the people of Hawaii back some of their hard-earned money in the form of tax refunds, and funding of other programs that don't get funded because the State does not have enough.

"The uncertainty of the amount is also a problem. What happens if the State's revenue drops dramatically? A good portion of the funding for this idea goes away, money they may have been counted on to make the proper investments in technology.

"In addition the funding portion of this bill binds the next two Legislatures financially, something this body has always fought.

"A better funding source would be allowing the Employee Retirement System to leverage some of its funds toward this goal.

The Employee Retirement System is professionally managed. Hawaii needs a professionally managed fund of Funds for revitalizing the local venture capital community.

"Hawaii needs to do something to encourage outside venture capitalism to invest in Hawaii companies, otherwise Hawaii companies will have little chance of raising the capital needed for big successes and will never develop the discipline and skills needed to compete on a national or global basis.

"This bill has redeeming qualities though, like having the Department of Business, Economic Development and Tourism assess the effectiveness of economic development initiatives and facilitating the private sector's investment in and development of a 400,000 square foot class and wet lab and technology incubator, known as the Asian Pacific International Research Center, establishing an incubator facility providing an integrated workspace, equipment, and education and collaboration space for the development and growth of local film and digital media firms, and establishing an education and training support system at Honolulu Community College called the Music Enterprise Learning Experience.

"The Asian Pacific International Research Center is intended to be a catalyst to grow Hawaii's life science and biotech sector, and will grow and retain local high tech businesses and local talent in the State. It will also assist in recruiting high tech companies to the State, provide critical infrastructure for future growth, position Hawaii for global competitiveness in the life sciences field, provide opportunities for increased public and private sector R&D collaboration, increase tax revenues, and will ensure global recognition and branding opportunities.

"Mr. Speaker, ten biotech companies chose to go somewhere else because we did not have the proper infrastructure. Imagine if you will how much better Hawaii could be if those ten companies who wanted to set up shop in Hawaii, did.

"In addition, the Digital Media Center Incubator will help Hawaii's growing film industry. Currently the film industry in Hawaii generates on average, \$100 million annually and \$13 million in State taxes. For this industry to continue to grow, we need the right infrastructure. Most productions only need short term leases. The private sector does not do well with these short term leases, but the State could benefit by providing the space and opportunity for these short term leases.

"With thriving digital media companies, Hawaii could tap into the \$12.5 billion video game industry. These digital media companies tend to have fast growth rates in the initial years and can expect to double in number of employees annually.

"And finally, the *Mele* program is modeled after the very successful music industry in Nashville, a music center which over 40 years created a \$5 billion per year industry. Our local artists deserve the opportunity to perpetuate our culture and help our local economy.

"For these reasons, I am hopeful, but have to speak in support with reservations at this time."

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

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

Representative Finnegan's written remarks are as follows:

"Mr. Speaker, I am in support of this measure. This bill is a part of an overall effort to make smart investments for Hawaii's future focusing on innovation. The Legislature has been working at it for awhile now. The MELE program has found its way into this bill and

this program established at Honolulu Community College is a very good idea."

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 2, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," passed Third Reading by a vote of 43 ayes to 5 noes, with Representatives Berg, Luke, Nishimoto, Saiki and Wakai voting no, and with Representatives Sagum, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1189) recommending that H.B. No. 916, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 916, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Ward rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ward's written remarks are as follows:

"Mr. Speaker, I am in support of this bill. This bill represents one of the most promising tools available to increase the investment by incumbent workers and their firms in upgrade training. This bill will help increase the skills of our current workers, and establish a program to identify, track and provide Hawaii job opportunities to out-of-state Kama'aina in order to bring their skills and commitment back to Hawaii.

"It is estimated that 70 to 80 percent of the workers and managers needed in the economy for the next 10 to 20 years are presently working. It is expensive and time consuming for workers to upgrade their skills even though it usually results in increased pay. The result of these barriers is that compared to the 70% to 80% of the workforce who should be upgrading their training, only 3.6% of adult workers in Hawaii between 25 and 49 years of age were enrolled part time in any type of post secondary training in 2006, according to the National Center for Public Policy and Higher Education. If we can't find adequately trained labor here, or cannot do so for the reasons stated, we need to bring it from abroad, and best we bring home our own.

"This bill also establishes Lifelong Learning Accounts. Under the Lifelong Learning Accounts (LiLA) program model, employers and employees contribute an equal amount each year to the employee's Lifelong learning account. The accounts would be portable, and are maintained and administered by a third party beneficiary. The funds can be used for a range of training activities within the scope of a long-range training plan agreeable to both the employee and employer.

"Several states including Maine, Illinois and Missouri, have or are developing pilot projects for these accounts. Under pending federal legislation, ten states will be chosen to participate in a Lifetime Learning Account pilot program. That program will include federal income tax credit incentives.

"With an established and funded pilot program, Hawaii will have a very good chance of being one of the ten states chosen. For these and other reasons, I am in support of this bill."

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

Representative Meyer's written remarks are as follows:

"I support this bill. It would strengthen Hawaii's workforce and our economy by helping workers open lifelong learning accounts, and by bringing skilled former residents of Hawaii back to the islands."

Representative Berg 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. 916, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WORKFORCE DEVELOPMENT," passed Third Reading by a vote of 48 ayes, with Representatives Sagum, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1190) recommending that H.B. No. 1083, HD 1, as amended in HD 2, pass 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. 1083, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY," passed Third Reading by a vote of 48 ayes, with Representatives Sagum, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1192) recommending that H.B. No. 18, as amended in HD 1, pass 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. 18, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Sagum, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1193) recommending that H.B. No. 1784, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1784, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Evans' written remarks are as follows:

"I support the creation of the offense of human trafficking. However, I vote yes, with reservations, because HB No. 1193, H.D. 2, does not include appropriations or, at a minimum, language asking for a report to the Legislature to the increase of financial and personnel costs to the State's correctional facilities and the Judicial Branch.

"This law will have an impact. Regardless of the economy our laws guide judges in the sentencing of offenders. Getting tougher on crime has consequences on our budget, and I believe it is important that the public, the Legislative Branch, the Judicial Branch, and the Executive Branch get the fiscal implications of this law which amends the Penal Code."

Representative Lee rose in support of the measure 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 am in favor of this measure. Our State already has laws against prostitution and other crimes, so why do we need an anti-trafficking law?"

"According to the National Institute on State Policy on Trafficking of Women and Girls, "Until states enact comprehensive anti-trafficking laws, prosecutors use existing criminal statutes to prosecute traffickers for such crimes as: false imprisonment, kidnapping, rape and aggravated assault. But these laws are insufficient—and they do not criminalize all manifestations of exploitative trafficking into the United States and don't offer protection from prosecution for all trafficked women, men, boys, and girls."

"Criminalizing human trafficking should bring State law into accord with the federal Trafficking Victims Protection Act of 2000, as reauthorized in 2003, and would enable local and State law enforcement to investigate and prosecute those crimes, working in partnership with federal law enforcement. This bill also adds human trafficking to the list of offenses addressed by the Crime Victim Compensation Commission.

"Another aspect of trafficking is the regulation of "international marriage brokers" that operate to bring mail order brides to our State. In 2003 our State became the second in the nation to pass such a law. Additionally, in 2004 Hawaii became the first state in the nation to regulate travel services that operate in the State to facilitate sex tourism.

"The provision of social services and victim assistance to trafficked persons is an important aspect of any trafficking legislation. The existing task force created by our 2006 resolution is charged with looking into this important part of the puzzle that is not addressed in the present draft. In addition, a resolution encouraging a needs assessment for social services will be offered this Session.

"The passage of this bill out of the Judiciary Committee is a major milestone. It is hoped that the many important people in our community including police, prosecutors, immigrant services, public defender, domestic violence coalitions and victim advocates will work together to make this effort a success.

"Although most of what we read and hear concerns the horrors of trafficking of persons in other countries, the United States, and yes, Hawaii, are major "destinations" for traffickers. We are obligated, therefore, to respond to this most appalling violation of the basic human rights of women and girls, men and boys.

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

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

Representative Awana's written remarks are as follows:

"Hawaii serves as a unique bridge for Continental US and the South Pacific and Asia. This places us in a prime location for human trafficking.

"The United Nations estimates that 12.3 million people are enslaved in forced labor, bonded labor, child labor, sexual exploitation and servitude, an involuntary servitude. It is a real tragedy because most of the human trafficking involves commercial sexual exploitation of women and children. These despicable acts are not only reserved for women and children.

"Men are also victims. This was made evident when a federal case came to light, where males were being transported from Tonga illegally to build lava rock walls. They were compelled to live in sub-standard housing, subjected to routine beatings, and even starvation.

"There are other associated ills to human trafficking. These included criminal networks and organized crime. Such acts impose public health cost and erode governmental authority in the United States and other countries.

"While Hawaii has laws to deal with ancillary crimes, they are rarely prosecuted. Criminals are able to utilize loopholes to evade prosecution. Hopefully, this statute will assist law enforcement in making more convictions which will lead to an end to human trafficking. Thank you, Mr. Speaker."

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

Representative Shimabukuro's written remarks are as follows:

"Mr. Speaker, I am in support of House Bill 1784 HD2. As one of the bill's several co-sponsors, I am convinced that this bill represents a considerable advance in protecting basic human rights.

"The bill has enjoyed the unanimous support of Members as it has progressed through two House Committees. Testimony from a variety of public and private agencies and organizations, representing law enforcement, immigration, the legal community, church and social groups, made it apparent that this legislation is greatly needed.

"The purpose of the measure is to create the offense of human trafficking, whereby a person knowingly subjects a person to labor or services through threats, extortion, or other means. It also recognizes the practice as a violent crime that may be related to organized crime or racketeering.

"By making any form of human trafficking a Class A felony, this bill, enacted into law, will show that Hawaii's people are serious about protecting the human and civil rights of its citizens, as well as immigrants to our islands. I urge my colleagues to join with me in supporting this legislation."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1784, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CRIME," passed Third Reading by a vote of 48 ayes, with Representatives Sagum, Takai and Thielen being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1194) recommending that H.B. No. 1905, HD 2, as amended in HD 3, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1905, HD 3, pass Third Reading, seconded by Representative B. Oshiro.

Representative Evans 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 Evans' written remarks are as follows:

"I support ensuring the safety of dams and reservoirs. However, I vote yes, with reservations, because HB No. 1905, H.D. 2, does not include appropriations or, at a minimum, language asking for a report to the Legislature on the increase of financial and personnel costs to the State's correctional facilities and the Judicial Branch.

"This law will have an impact. Regardless of the economy our laws guide judges in the sentencing of offenders. Getting tougher on crime has consequences on our budget, and I believe it is important that the public, the Legislative Branch, the Judicial Branch, and the Executive Branch get the fiscal implications of this law which amends the Penal Code."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1905, HD 3, entitled: "A BILL FOR AN ACT RELATING TO DAM SAFETY," passed Third Reading by a vote of 48 ayes, with Representatives Sagum, Takai and Thielen being excused.

At 6:46 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1001, HD 2	H.B. No. 18, HD 1
H.B. No. 338, HD 2	H.B. No. 1784, HD 2
H.B. No. 916, HD 2	H.B. No. 1905, HD 3
H.B. No. 1083, HD 2	

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1195) recommending that H.B. No. 88, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 88, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Evans 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 Evans' written remarks are as follows:

"I support the protection of consumers from insurance fraud. However, I vote yes, with reservations, because HB No. 88, H.D. 1, does not include appropriations or, at a minimum, language asking for a report to the Legislature on the increase of financial and personnel costs to the State's correctional facilities and the Judicial Branch.

"This law will have an impact. Regardless of the economy our laws guide judges in the sentencing of offenders. Getting tougher on crime has consequences on our budget, and I believe it is important that the public, the Legislative Branch, the Judicial Branch, and the Executive Branch get the fiscal implications of this law which amends the Penal Code."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 88, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE FRAUD," passed Third Reading by a vote of 48 ayes, with Representatives Sagum, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1196) recommending that H.B. No. 661, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 661, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"With reservations. My reservations are that my district is so large and has so many needs that I hate to see any public money going to anybody's campaign."

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

Representative Shimabukuro's written remarks are as follows:

"Mr. Speaker, I am in support of House Bill 661 HD1. Legislation of this kind has been under consideration ever since I was elected to this House more than four years ago. At least once, just as victory

seemed to be within reach, the bill—whether known as "Clean Elections" or "Voter Owned Elections"—failed passage in the waning hours of the legislative session.

"Now is the time for action. To delay further in implementing some version of this badly needed campaign reform is becoming more and more inexcusable. And our constituents are becoming more impatient with a system that leans heavily on private financing while neglecting a public financing alternative which other states have successfully implemented.

"Hawaii's existing system of partial public funding for campaigns has not created the viable alternative that was anticipated. Only 9% of candidates statewide participated in the system in the 2004 election. What we need is the comprehensive system which this bill creates.

"Some will fault us for amending the original bill by changing the scope from our own House of Representatives to County Councils, in effect putting other elected officials, rather than ourselves, on the front lines of this groundbreaking initiative.

"Controversy has surrounded clean election legislation from the outset. I believe it is time to rise above the controversy and take this first modest step toward making elections more equitable, more accessible to people who lack the means to run for office. I urge my colleagues to join me in support this bill."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 661, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING," passed Third Reading by a vote of 48 ayes, with Representatives Sagum, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1197) recommending that H.B. No. 1848, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1848, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"On Stand. Com. Rep. No. 1197, I stand in opposition. I just wanted to share excerpts from a *Maui News* editorial which appeared in yesterday's paper. Even though the Finance Committee made some attempts to improve the language of this bill, it still is a bad bill and tries to undo the proposed lay net fishing ban, fish net ban. It says:

House Bill 1848, HD 2 would require any fishing prohibition or limitation, the lay gill net ban, to be developed through "community based ahupuaa, moku, or community-based subsistence management program previously established." That the language is just vague enough to open the door for just about any established Hawaiian-based group to get involved in an already cumbersome rule-making process.

The bill also calls for "a thorough review and analysis of best available science, including traditional Hawaiian and local fishers' knowledge. That's just another way of saying anyone involved in using gill nets can prevent a ban.

"And then the editorial goes on to say:

House Bill 1848 is just political pandering of the worst sort, an insult to the Native Hawaiian tradition of stewardship and a major threat to the survival of reef life in the islands. The House should vote it down. If not the House, then the Senate should say no. If not the Senate, then the governor should veto it.

And I agree. Thank you."

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

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

"I stand with strong reservations."

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

"Mr. Speaker, I'm rising in support of Stand. Com. Rep. No. 1197. As you know, this measure will help our local fishermen by requiring the DLNR use some kind of scientific method when it sets out new fishing rules and limitations. It also sets up a Hawaii Fishery Policy Advisory Taskforce to help establish rules that would improve the current process.

"Mr. Speaker, the testimony on this bill was very emotional on both sides. DLNR, many environmentalists want very strict restrictions on fishing while our local fishermen want to be able to fish in the areas they've been fishing in for generations. Mr. Speaker, I support the efforts of our local fishermen. They aren't asking for special treatment. What they want is that DLNR establish some kind of scientific evidence to validate and justify their management decisions. That's all. They just want a reasonable justification.

"This request does not seem to be out of line. Federal laws already suggest that fishing boundaries be based on "the best scientific information available." It must include criteria to assess the conservation benefit of a closed area. It must establish a timetable for a review of the closed area's performance and is consistent with the purposes of the closed area. And it must be based on an assessment of the benefits and impacts of the closure, especially as it relates to the users of the overall area.

"Mr. Speaker, this bill makes sense. All it does is set up names that would allow anyone to come to the table and discuss the needs of everyone in the fishing and conservation zones and it mandates that DLNR have its facts in order before we set far-reaching rules in place. Thank you, Mr. Speaker."

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

"In support. I would like the words of the Minority Floor Leader, from Heeia-Kaneohe as my own, and I want to submit into the Journal my five-page speech that I'm going to submit to the Clerk right now," and the Chair "so ordered."

Representative Ito's written remarks are as follows:

"Mr. Speaker, I am in support of Stand Com. Report 1197, HB1848 HD2.

"Mr. Speaker, the purpose of this bill is to balance the public's fishing area needs with the need to conserve the State's aquatic resources by:

- 1) Requiring the Department of Land and Natural Resources to discuss with communities, demonstrate a peer-reviewed scientific need, and rule out other conservation measures and enforcement of existing regulations, prior to adopting new fishing prohibitions or limitations, and to make all new closed area regulations temporary;
- 2) Establishing the Hawaii Fishery Policy Advisory Task Force to identify and recommend to the 2008 Legislature, revisions to the rule-making process regarding fisheries to improve the incorporation of public participation and peer-reviewed science in the process; and

3) Appropriating funds for the Task Force.

"Mr. Speaker, this bill is not meant to handcuff the Department of Land and Natural Resources in their rule making process, nor is this bill meant to pit one group against another. Over the years DLNR has initiated various regulations affecting our fishing community with or without input from the very people being regulated. This bill, however, is meant to help the DLNR in formulating new fishing regulations that has input from all who enjoy Hawaii's aquatic resources, fishermen and conservationist alike. Fishing regulations formulated by the various user groups will better serve the DLNR as these groups will have ownership in the regulations. Through these efforts it is hoped that future fishing regulations will be a WIN-WIN for all.

"Mr. Speaker, this bill calls for the establishment of the Hawaii Fishery Policy Advisory Task Force to identify and recommend to the legislature revisions to the current Hawaii administrative rules, title 13, subtitle 4, fisheries regulations. The bill has been revised to also include two members designated by the Aha Moku Council, one member designated by the National Oceanic and Atmospheric Administration, one member designated by the Nature Conservancy, and one member designated by the Hawaii Audubon Society in the makeup of the advisory task force. The addition of these members, together with the members from the fishing communities, will only strengthen the task force as all views are now represented and will be heard before any fishing regulations are formulated. Additionally, the bill has been further amended with the removal of any reference to historical extraction data, which data may not exist, and requiring fishery management measures be based on best available science rather than peer-reviewed science.

"Mr. Speaker, the call for science in this bill simply asks the DLNR to perform its job similar to the standards established by its federal counterpart, as the State's steward of its marine resources. Science-based baselines are necessary to determine where we are today, and science-based references need to be established in order to determine whether or not the prescribed management measure is achieving its stated goals and objectives. The call for a sunset date is to insure that the DLNR fulfills its obligation to review and assess the validity of the management measure and not leave areas closed indefinitely because timely reviews and assessments were not conducted. Further, the absence of science in the DLNR rule-making process leaves one option for marine resource management, creating more protected areas without the responsibility of monitoring whether or not the desired results are being achieved. This forces Hawaii's growing fishing public into further restricted areas ultimately leading to a crash in the resources in the limited areas opened to fishing. The resultant action by the DLNR will be to close the remaining open areas to fishing!

"Mr. Speaker, I have received numerous complaints that DLNR has completely closed fishing areas to the general fishing public around the State by declaring these areas as Marine Protected Areas (MPA) or Marine Managed Areas (MMA). The DLNR, however, has opened these areas to permitted commercial snorkeling and scuba diving, and kayaking. Fishermen have ask, "Why is it that we cannot fish there but the DLNR open these areas to commercial activities? Don't these commercial activities also affect the ecosystem of the area by affecting the life cycle of the fish? Fishes may be utilizing these areas as habitat, as grounds for transit from fish habitat to feeding grounds, for spawning, or as habitat where mostly juvenile fish congregate and exist. It has further been stated by fishermen that there is no enforcement. Fishermen have complained that they phone in fishing infractions to the DLNR Conservation and Resources Enforcement Division and no officer shows up to apprehend the perpetrator(s).

"Additionally, the Auditor, in her report, has also stated that enforcement of our resource regulations is lacking. This Session the DLNR has requested an increase in funding to increase the number of enforcement officers in the Conservation and Resources

Enforcement Division. This is where we, the Legislature, can help the Department by providing the necessary funding. Additionally, the DLNR also needs to increase their educational efforts by educating the general public of the many fishing rules and regulations that are in existence today. There are many fishermen, some who occasionally take their children to fish on weekends, who do not know of these fishing regulations. The DLNR does publish a brochure that lists these fishing regulations, however, not all fishermen know of the brochure or how to obtain one."

"Mr. Speaker, stricter enforcement of the existing fishing regulations and educating our fishing public will go a long way in conserving our ocean resources. All the fishing regulations in the world will not result in conserving our ocean resources if there is no education program or the necessary enforcement to go along with these regulations. We all want to enjoy Hawaii's ocean resources, it's beauty and it's bounty. Additionally, the greater input by the user groups in formulating fishing regulations will result in these user groups having ownership in these regulations, resulting in greater self-enforcement."

"Mr. Speaker, I urge my colleagues to support Standing Committee Report 1197, HB 1848, HD 2. Thank You."

Representative M. Oshiro rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative M. Oshiro's written remarks are as follows:

"Mr. Speaker, I am in strong support of HB 1848, HD2.

"First, let me set the record straight. I am not recommending that HB1848, HD2 move forward in its amended form from the House Finance Committee to simply quash the recently approved Lay Gillnet Rules approved by Governor Lingle on March 2, 2007. As much I dislike the stealth methodology and "divide and conquer" strategy employed by the Department of Land and Natural Resources (DLNR), the Governor's decision will be hers alone and she must answer to the citizens of Hawaii.

"Certainly, the measure will have that affect if the effective language, "after January 1, 2007" remains in the final draft and wins final Senate and House approval, but that is not the primary purpose, nor aim of this measure. Indeed, I must agree with the opponents of this measure who characterize it as being "extreme." But, in defense of my position for the House Draft 2, let me assert that this measure simply seeks to cure if not contain a much greater extremism and divisiveness foisted upon our island communities and all citizens of Hawaii Nei by the DLNR, through its arbitrary and discriminatory rulemaking. I submit that I would be remiss in my duties as a State legislator if I would not "call to the carpet" what I believe to be a renegade department abusing its restricted delegated rulemaking authority over our ocean resources for all of Hawaii's people. Were I to do so would dishonor and depreciate the seven generations before me and the seven generations to follow me. So what does this bill do? How does it work?

"For one, as currently drafted, this bill would curtail and restrict further rulemaking unless approval was obtained from the 13 member Fishery Policy Advisory Task Force comprised of the following organizations and appointments:

- Two members designated by the Alii Holokai Dive Club;
- Two members designated by the Pacific Island Fisheries Group;
- Two members designated by the Association of Hawaiian Civic Club's Ocean Resources Committee;
- One member to be designated by the Northwestern Hawaiian Islands Bottomfish Hui;
- One member designated by the Kewalo Keiki Fishing Conservancy;
- Two members designated by the Aha Moku Council;

One member designated by the National Oceanic Atmospheric Administration;  
 One member designated by the Nature Conservancy; and  
 One member designated by the Hawaii Audubon Society.

"Mr. Speaker, these recommendations are in response to the many testifiers on this bill and from listening to both proponents and opponents. It is also a product of focusing in on the common ground that both fishermen and environmentalists, and Hawaiians and non-Hawaiians have on this very important issue. I found that there is much, much, more agreement than disagreement and common ground can be found. The composition of the Fishery Policy Advisory Task Force should provide a better forum for all stakeholders and in comparison to the current DLNR "divide and conquer" methodology, and it equalizes the playing field for those citizens in rural communities and the Neighbor Islands.

"Second, Draft 2 of the bill has made substantial amendments to the House Draft 1 and addresses the concerns of the DLNR Division of Aquatics Resources (DAR) that it collect and maintain historical fish census and catch data reports that may not exist and may not be available. Thus, the "impossibility" or "futility" argument is no longer an issue. Furthermore, I amended the bill to delete a requirement that could be misinterpreted to require that the DLNR "know at any given time the actual number of fish hooks in the water." That interpretation was nonsense and related language was stricken. Likewise, I amended the bill to clarify that the level and degree of science based decision making would be upon the "best available science" standard, instead of being based upon "peer reviewed science." Interestingly, according to the Division of Aquatics Resources, "best available science" is the standard that is presently used by DLNR's aquatics staff.

"These along with other amendments were made with the approval and prior concurrence of the Vice Chair of the Committee on Water, Land, Ocean Resources, and Hawaiian Affairs. The amended provision now directs the DLNR to: (1) establish a "best available science"-based analysis to define what is being protected; (2) explain why such protection is needed; (3) require analysis, definition and prioritization of the contributing factors affecting a species; (4) establish a schedule and planned evaluation of management measure to determine whether it is achieving its stated objectives; and (5) impose a deadline if the department fails to conduct the proper and timely assessments.

"Third, Mr. Speaker, it should be pointed out that the passage of this measure will not allow, as some have argued, for unrestricted fishing or use of gills nets, nor open presently closed areas to unregulated pillage of our ocean resources. The sky is not falling and the end of the world is not at hand. The current rules will still provide protection of our ocean resources and law enforcement will still have the authority to issue citations, arrest, seize contraband, and prosecute violators. The present gillnet rules will remain in effect, restricting maximum soak time to 4 hours, requiring an inspection of nets every 2 hours and a minimum mesh size of 2-3/4 inches, stretched. It is so very ironic, but revealing that under the "old" rules the endangered Hawaiian monk seal and green sea turtle had greater protection off the Molokai shoreline than it has today under the "new" rules.

"Fourth, Mr. Speaker, under the present proposal, HD 2, "new" rules must first be reviewed and considered by the 13 member Fishery Policy Advisory Task Force and the respective stakeholder groups therein. My hope is that the aforementioned organizations and their respective leaders consider this bill as an opportunity to tone down their passionate combativeness and instead consider the opportunities of discovering common ground because of their common aloha for the ocean and our unique Hawaiian culture. Should they fail for lack of trying or fail because of fear, I am sure that future legislators, if not next year's Legislature, will again be faced with the same, if not similar issues.

"Finally, Mr. Speaker, as I touched upon several times already, this bill is not merely aimed at curtailing the recently approved lay gillnet rules approved by Governor Lingle on March 2, 2007. Again, the current lay gillnet rules is symptomatic of a larger failure of the DLNR to perform its duties in a fair manner that has caused this reaction from many in the fishing community. The DLNR's adoption of a policy of "divide and conquer" that allows it sidestep its own rules and repeated recommendations of its own professional civil service staff should not be condoned and approved.

"Mr. Speaker, let me provide some historical context for how I came to this conclusion regarding the DLNR. It is simply amazing and terribly frightening how one group of stakeholders have hijacked our rulemaking process and thereby disenfranchised thousands of stakeholders across our State.

"As you may recall, a State Gillnet Taskforce comprised of most user groups including fishermen and environmentalists was convened by the DLNR in 1998 and tasked with the development of rules and possible fishing rule amendments that would address the then uncontrolled deployment of gillnets by a segment of individuals relatively new to the State. The Taskforce members came from Molokai, Maui, Kauai, Oahu, and Hawaii. Mr. Speaker, I remember the concern back then in 1997 and 1998 and it was the arrival in the islands, most conspicuously off the Waianae Coast, of these commercial boats that would lay nets over a mile long and in depths of 200+ feet of water. At this depth tangled netting destroyed coral and if not removed, remained to "ghost" fish for years. The Waianae commercial fishermen asked DLNR, Division of Aquatics Resources (DAR) to investigate how these gillnets might be better managed.

"In 1998, a Gillnet Task Force was convened and charged with developing proposals to address the concerns of the commercial fishermen, such as registration of nets, net labeling, length restrictions, etc. The Gillnet Task Force was staffed by the Division of Aquatics Resources and submitted its final recommendations to DAR in 2000. Later that year, the staff of the Division of Aquatic Resources prepared draft rules based upon the Gill Net Task Force's work. However, these draft rules, remained out of public view and comment until September 2002. Public meetings were held on Molokai, Lanai, Hawaii (Kona, Waimea, Hilo), Maui, Kauai and Oahu (Waianae, Kaneohe, and Honolulu). On or about October 29, 2002, the Division of Aquatics Resources sent surveys to the commercial fishers and imposed a November 20, 2002 deadline for submittals. In December 2002, the Division of Aquatics Resources compiled its survey response and reported the following recommendations:

1. Regulations for lay nets should cover both moemoe and paipai nets.
2. The current 2-3/4 inches minimum mesh size requirement for lay nets be continued for commercial lay nets but that a new 3 inches minimum mesh size should be established for non-commercial lay nets.
3. There should be established a 12-hour time limit for non-commercial users and a 4-hour limit for commercial users.
4. The current requirement for the two-hour inspection of lay nets be continued.
5. Each person may only set one lay net once every 24-hours.
6. The use of trammel lay nets be allowed for commercial users only, but that a minimum mesh size and a limit of two panels should be established.
7. The use of lay nets at night be allowed but that commercial lay net users must attend their nets.
8. The breaking of coral should continue to be prohibited.
9. Non-commercial lay nets should be prohibited in depths greater than 25 feet. Commercial lay nets should be prohibited in depths greater than 80 feet.
10. All lay nets should be registered with the Department.
11. All lay nets, while in the water, should be tagged.
12. The following limits be established for lay nets: non commercial users—maximum height 6 feet, maximum length

limit 500 feet; commercial users—maximum heights 12 feet, maximum length limit 1200 feet.

13. A 500-foot buffer between nets should be established.
14. All lay nets, while in the water, should have marker buoys.

"Finally, between January 2003 and July 2003, the Division of Aquatics Resources staff prepared the "Report on the Discussions to Manage the Use of Lay Nets," July 2003, by Jo-Anne Kushima and Alton Miyasaka.

"Mr. Speaker, for the past four or five years, the Gillnet Task Force recommendations and the Division of Aquatics Resources proposed rules have not been taken to public hearing nor put forward by DLNR as "formal" rule proposals. Instead, and unbeknownst to many, a privately drafted gill net rule proposal, developed by the West Hawaii Fisheries Council, a private group from the Big Island, was adopted by the DLNR in 2003 for public hearings statewide. In other words, this set of proposed rules and not the Gill Net Task Force recommendations nor the proposals analyzed and studied by the DLNR - Division of Aquatics Resources staff, became the proposed rules taken to the public hearing process.

"Following those public hearings, the amended rules were presented to the Land Board on Friday, November 17, 2006 for approval in early 2007. The Land Board held its public meeting on November 17, 2006, and by a unanimous vote, approved the proposed rules. It must be pointed out that it was during these Land Board meetings that it was determined by several astute Board members and staff that a portion of the proposed rules, promoted by the DLNR, contained special allowances for the island of Molokai. These special allowances, however, were never brought to any previous public hearing nor had their genesis in the Gillnet Task Force recommendations, and were never presented at the Statewide meetings. The Land Board wisely deferred action on the Molokai rules, but approved the rest of the measure on November 17, 2006. This approved portion of the gillnet rules was signed into law by Governor Lingle on March 2, 2007. As noted on the DLNR website, the Molokai portion has not been approved yet.

"Mr. Speaker, while most citizens agree that stronger gillnet rules are needed, the disparate application of rules throughout the State and the absence of any best science-based references as to why certain waters around the island of Oahu, Kauai, Hawaii, and the entire island of Maui were closed remain unanswered. The DLNR response to various stakeholders was, "this is what the polls and surveys revealed." But, I must ask then, "If we are to manage our resources by public polls, then do we really need a department to manage them?"

"The arrogance and sheer audacity demonstrated by the DLNR in the administration of its rulemaking responsibilities leaves one very suspicious and uncomfortable with further entrustment of a strong public resource. By willfully and unabashedly ignoring the efforts of a statewide Gillnet Task Force it convened, sponsored, and supported, and substituted a proposal from a singular community from a district in Kona as the preferred management regime is incomprehensible.

"Additionally, the proposed rule amendment serves to disenfranchise other communities as the Molokai "special rules" may have been created to address the economic conditions there, but have ignored the plight of residents on the other islands where similar economic conditions exist such as Oahu's Leeward Coast and other remote communities around our State. Where is the equity in the amendment? Shouldn't the same benefits extended to Molokai be extended to those similarly impacted throughout the state?

"Furthermore, reasons given to shorten the nets, shortened deployment times, frequent inspections and ban from night setting were to minimize interactions with protected and endangered species, and unwanted species. If these were truly the reasons for the amended rules for the State, then why do the special rules for Molokai allow 6 times more length of nets; allow nets to be set three

times longer with only two inspections of their nets during the period, and allow nets to be set at night? This rationale is incomprehensible to the other islands of our State. Fishermen who attended the public hearing of the Molokai special rules, generally applauded the department's sensitivity and relaxation of the lay gillnet rules as it more closely resembled the recommendations made by the Gillnet Task Force, but cautioned that special treatment without a factual and/or scientific findings would breed resentment and cast further doubt on DLNR. To this day, there is no one at DLNR who will explain how protected, endangered and unwanted species in the waters off Molokai are better able to tolerate interactions with lay gillnets? As one testifier pointed out, "Is the DLNR saying the monk seals and green sea turtles off Molokai are smarter than the ones off Oahu, Kauai, Maui, and Hawaii?"

"Strangely, but consistent with its "divide and conquer" tactic, the DLNR has not provided a science-based analysis supporting these rules, but has managed to justify the implementation of a gillnet ban based merely on internal surveys (non-public) and random surveys conducted by environmental groups and publications. For example, in 2004, a total of 774 respondents purportedly provided input to a DLNR survey regarding the proposed lay gillnet ban with the Statewide responses as follows: 27 from Kauai; 382 Oahu, 33 Molokai; 103 Maui; 83 Hawaii; and 46 unknown Main Hawaiian Islands. But, if one considers that the 774 respondents comprise only .06% of the population, it becomes apparent how weak the DLNR's position becomes. Furthermore, the formulation of the information sought and the data itself also reveals how tenuous the argument is. For instance, questions are only in a "yes" or "no" format, and duplicate entries cannot be ascertained, nor the residency of the responders.

"Likewise, the 2004 Hawaii Fishing News survey of only 848 of its readers, is also suspect and fails for similar reasons. Even if we were to give some credence to the methodology of the survey, its supposition is based on less than one-tenth of one percent. Mr. Speaker, this does not seem to be anywhere close to the majority they claim to represent and is at best a gross exaggeration and wishful thinking.

"Similarly the July 19, 2006, "Q-Mark" telephone survey commissioned and paid for by Fair Catch entitled: "Hawaii's Attitudes on the Ocean and Lay Gillnet Restrictions" is equally flawed and biased. As you and I know, Mr. Speaker, you can devise all kinds of polls and obtain any kind of results simply based upon the questions used and polling methodology. In this case, 1022 Hawaii residents were telephone polled, consisting of merely 0.08 percent of our state population. Even if we consider the 68% support for a gillnet ban, with a 3.1 % margin of error, we are left unsure if the response was framed as across all the Hawaiian islands and/or whether the responders considered effects upon traditional and cultural fishing practices and lifestyles. Mr. Speaker, I would guess that the result would also vary depending upon residence of the respondent, county, ethnicity, gender, and age.

"Finally, in a press release released on March 7, 2007, the DLNR uses its own faulty data to support its position for the "new" rules and Director Young even cites to a "white paper" entitled "The Case Against Lay Gill Nets," July 2006. Mr. Speaker, again, I find the DLNR representations at best gross exaggerations or at worst, deliberate misrepresentations. For example, the nine public hearings held in July 2006, that seemingly elicited 1,239 oral and written testimonies is not very representative of any community, county, island, group, or stakeholders. If you consider that 1,239 people is equivalent to approximately one out of 10,000 people in our State, you realize how much over reliance is placed on so few people. Again, as I have stated earlier, if the DLNR seeks to base its decisions, and in this instance it rulemaking decisions upon mere polls, then, it should convert its biologist and aquatics experts to pollsters and statisticians. For even, if we assume that all respondents are actual Hawaii residents and that framing of questions pass muster under common survey standards and conventions, it is astounding that the DLNR would base its final recommendations for



such a significant administrative rule change on the minority of respondents who consist of less than one one-hundredth percent of the state population. The odds are the same as winning at roulette twice in a row with the same number!

"Mr. Speaker, it is my understanding that the DLNR is currently working on other rule changes to manage resources, including bottom fishing, closing of NARS access, and the taking of herbivores off Maui. It worries me that the arbitrary and inconsistent manner in which they have implemented the current gill net rules will continue and proliferate with their future efforts.

"Mr. Speaker, HB1848, HD2 imposes the current standard of best available science criteria as the level of science needed in assessments to address the Department's concern, and the composition of the 13 member task force was adjusted to address the environmental community's concerns. It strengthens the participation by environmental organizations (Hawaii Audubon Society and Nature Conservancy) and the Native Hawaiian community by creating specific seats for them on the user group panel. The fishermen and environmental stakeholders have expressed a common goal in managing the resources today to allow for its survival and use tomorrow. Their expertise, input and oversight as users are invaluable and necessary to the DLNR in their role as managers of ocean's resources and to ensure accountability to the people. We cannot and should not condone what I believe to be renegade rule making by a department that has overstepped its restricted and delegated rule making authority over our ocean resources for all of Hawaii's people.

"The Finance Committee passed out the HD 2 form of this bill without any objections and I urge all of my colleagues to support this fair, accountable, and balanced measure and to support the passage of this bill on Third Reading. Thank you, Mr. Speaker."

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

Representative Awana's written remarks are as follows:

"Mr. Speaker. I am in support. There are many local fishermen in my district who are concerned about decisions made by the Department of Land and Natural Resources. Currently, the DLNR has the ability to close traditional fishing areas which have been in use for generations.

"When advice is provided by these long time fishermen to discuss regulation, the DLNR has virtually ignored their recommendations and made its own rules based on scientific evidence. The Department has yet to provide such evidence since historical scientific evidence has not been taken. There is no consistency in making rules and regulations as stated in testimony by both the fishermen and the Administration. In addition, I see that the Department is currently bowing to the pressure of groups who claim certain fishing areas are being depleted.

"I believe the real problem is the overdevelopment of our lands and how such development transforms the landscape of our fishing areas. Spawning areas have now been blocked. Fishes feed elsewhere. Now fishermen are blamed for such changes.

"The testimony from our fishermen was heard loud and clear. "This bill will bring to our fishing community – better and fairer marine management decisions based on community participation and proper science." We must continue to support our long-honored tradition of fishing for the values that they instill in our children along with the cultural heritage that needs to be perpetuated. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I rise in strong support of this measure. Thank you very much. I think there have been enough comments. I would use the Representative from Kaneohe's five-page comments as my own. I haven't seen them yet, but I'm sure they're good," and the Chair "so ordered." (By reference only.)

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

"Yes, Mr. Speaker. I'm in support and I wish to incorporate the five-page speech from the Representative from Kaneohe," and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1848, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AQUATIC RESOURCES," passed Third Reading by a vote of 38 ayes to 10 noes, with Representatives Belatti, Bertram, Carroll, Green, Morita, Rhoads, Saiki, Shimabukuro, Takumi and Yamashita voting no, and with Representatives Sagum, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1199) recommending that H.B. No. 16, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 16, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I'd like to cast a vote with reservations on this measure. My only reservation is that it should include the student health aides."

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

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

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

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

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

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

"Thank you, Mr. Speaker. I'm rising in opposition to this measure. From listening to the testimony in Committee, I think, I feel personally that the students would be better served if the health aides stayed under the Department of Health.

"Right now they are supervised by a nurse who is always available by phone, but most of the health aides have first aid training. That's about it as far as medical training. There were numerous situations where they're not sure what they're dealing with and they can call the nurse and that's helpful. If they transfer over to the Department of Education, the only person that will be available to them is the principal, and most principals do not have medical training. I just think the children would be better served if we leave it the way it is.

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

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

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

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

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

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

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

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

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

Representative Ching 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 Ching's written remarks are as follows:

"Thank you, Mr. Speaker. With reservations in support of H.B. 16 – Relating to Education which will repeal the transfer of the public health nurses who supervise school health aides for the Department of Health to the Department of Education and transfer the school health services program from the DOH to the DOE.

"While I support the intent of this legislation, I understand that transferring the public health nurse positions to the DOE would require the DOH to request replacement positions to carry out essential health functions. Additionally, the number of positions that would be transferred would be insufficient to provide the level of supervision necessary for the school health program. School Health may be best served if it remains with the Department of Health, as it is their specialty. The Department of Education as it is has staffing difficulties and exhausted resources and may not be able to adequately address the issue of school health effectively or as efficiently as the Department of Health."

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

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

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

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

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

"Thank you very much, Mr. Speaker. In the face of all those reservations, I'm pretty reluctant to stand up and say I support the bill, but I do.

"Mr. Speaker, I want to clarify a few things. As you know, in 2004, we passed out Act 51. We created an interagency working

group whose mandate was to de-link the agencies that impact the Department of Education so that they would have the maximum flexibility, authority and autonomy to run their own shop. This is actually the last bill, the last recommendation from that interagency working group. We passed out a bill earlier today that repealed the requirement that Budget and Finance send over some of their functions to the Department of Education.

"Mr. Speaker, this has been a process that has gone on for over two years and all the agencies were at the table. It was a collaborative effort. It was an effort that really exemplifies the best in public policymaking. What they did was to look at all these different agencies, whether it was DAGS, Budget and Finance, the Attorney General's Office and the Department of Health. For those who may not be familiar with how health aides work, they are currently under the supervision of the principal when it comes to their work performance. In other words, if they don't show up to work, if they're late for work, that sort of thing, because the principal's there on a daily basis and so are the health aides.

"The nurses, however, oversee the work that they do as it relates to their work, their job. And that will continue. The Department of Health and the Department of Education will be sending a Memorandum of Understanding that will lay out clearly and precisely the duties that nurses have over the health aides at the school. That will not change. So it's not like the principal has to make sure that the health requirements of that job is their responsibility.

"And may I add, Mr. Speaker, that the Department of Health, the very agency, the very department that's entrusted to look out after the health and welfare of our schoolchildren absolutely agreed with this move as well. In my mind, if they had any doubts this would compromise the safety of our children, I would not support it. But both the Department of Health and the Department of Education are fully in support of this, realizing it makes far more sense for school based, school site-based personnel, to come under the Department of Education and yet when it comes to the health of our children, to be overseen by the health nurses who are not based in the schools, Mr. Speaker."

Representative Souki rose to respond, stating:

"Mr. Speaker, now that I've recovered, I'd like to speak a little bit more on this particular measure here. My major concern is, and I speak with reservations, with strong reservations. The concern I have is, even after the eloquence of the Chairman of the Education Committee, is that with the situation we have is that the principals are making the determination, and the community groups that work with the principals, as to the position that they're having within the school system. These employees that are transferred from the Health Department could very well, in some time in the future, lose their job. There's no assurance of course, that they can keep their job. These are some of the concerns that some of the advocates for the employees that came out were saying.

"And when I asked the Superintendent, and she came to my office personally, if this can happen, she said, 'Yes it can.' If it's the choice made between a librarian and a health aide, we'd choose the librarian over the health aide. So it's the precarious situation of the employee that I am more concerned about. If it was under the old system, they would still maintain the health services without jeopardizing the employee's job. Of course this is only a potential. It may not happen, but it can. And that's my major consideration. Thank you very much, Mr. Speaker."

Representative Takumi rose to respond, stating:

"Thank you very much, Mr. Speaker for your indulgence, but a small clarification to what the Speaker Emeritus just said. The Speaker Emeritus is alluding to the possibility that the school health aides at some point in the future may be included into the Weighted Student Formula. That is not our decision to make. That is a

decision made by the Committee on Weights when they meet every two years. Okay, maybe every year. We've got to see how the bill goes.

"But, Mr. Speaker, here's the rub. When we passed Act 51, for those of you who read the bill, realize we did not mandate any positions of the school. We did not say schools needed teachers, principals, counselors, librarians, custodians, food service workers, bus drivers and school health aides. We said the school should have the flexibility and the autonomy and the authority to decide what would improve student achievement, raise the civic engagement and responsibility of these children, and do it in a way that preserves the health and safety of the children and of the learning environment in which they're in.

"Would school health aides be put into the weighted student formula down the road? I cannot predict that. But if that should happen, then I would trust each school to make the decision on how they can fulfill that responsibility for the health needs of their students and not compromising that, even if it means they may not have a health aide.

"Mr. Speaker, there are laws in place that require the Department of Education to meet certain standards. That does not change with or without a health aide. And may I remind Members, when the Weighted Student Formula was implemented, by year two, eight full time positions as it relates to librarians were lost. But twelve new positions in classroom teachers were gained. In other words, schools made the decision that they may let a librarian go half-time so that they could then hire a teacher, or reading tutors, or whatever the case may be. That was the whole intent and the promise of Act 51.

"And last point, Mr. Speaker. Schools do not exist for employees, for adults in my opinion, Mr. Speaker. Schools exist for schoolchildren. Schools exist not for jobs for all of us. Schools exist so that we can teach the future of this State. Thank you."

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

"Mr. Speaker, can I just say that I am in strong support of that, those comments right there. In regards to this bill, I do support it, but I just really support the last statements of the Education Chair. As we take a look at this, how do we do this Weighted Student Formula, we have to be serious of what we passed a few years ago, and he said it better than I could have. Thank you."

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

Representative Sagum's written remarks are as follows:

"Mr. Speaker, I have reservations with regard to HSCR 1199, HB 16, HD1: Relating to Education.

"When the bill was heard in the Committee of Finance, I registered a "no" vote because there was a concern for the job security of the health aides. After listening to the remarks made by the Chairman of the Education Committee, I feel that I can be more comfortable with the transfer of the school health aides from the Department of Health to the Department of Education since they will still receive services from DOH regarding health issues.

"However, I still have concerns that the funding for health aides will be lumped in with the school's general budget, and schools will opt to cut these positions. 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. 16, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 45 ayes to 3 noes, with Representatives Awana,

Carroll and Meyer voting no, and with Representatives Sagum, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1200) recommending that H.B. No. 70, HD 2, as amended in HD 3, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 70, HD 3, pass Third Reading, seconded by Representative B. Oshiro.

Representative Har rose in support of the measure with reservations, stating:

"Mr. Speaker, with reservations and I request permission to insert written remarks into the Journal on Stand. Com. Rep. No. 1200. Thank you."

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

"Thank you, Mr. Speaker. I'm rising in strong support of House Bill 70, which is Stand Com Report No. 1200. This bill would allow 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 payments.

"First, 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.

"Second, 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 don't use the highway. Everybody is paying for the highways that are built now.

"Third, 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 judicious use of 'congestion pricing', where the price is higher during peak traffic hours and lower during lower traffic hours, traffic jams could be avoided altogether as people with flexibility about when to use the highway, such as retirees going shopping who would stay off the highway during peak hours and they would use the regular free highway.

"The highways would be better maintained with fewer potholes since a private highway owner would have a strong incentive to keep attracting customers by promptly fixing problems.

"Some legislators may agree that this bill unfairly penalizes areas where toll highways would be built since commuters there would have to pay for highway use while commuters elsewhere would enjoy the free use of existing highways. However, as pointed out earlier, no one, I repeat, no one would be forced to use or pay for toll highways. And it would make many years or decades under the current system for tax-subsidized highway to be built. In the meantime, people in the areas needing new highways would pay a steep ongoing price in time wasted in congestion traffic and gas wasted in stop and go traffic and vehicle damage caused by potholes and other deferred maintenance.

"Mr. Speaker, toll highways are a fair, more efficient and more effective approach to relieving traffic congestion. I urge all my colleagues to support this measure."

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

"Mr. Speaker, I am standing up with reservations. Mr. Speaker, I wasn't planning to stand up and say something, but I need to clarify

some of the words that were spoken by the previous speaker. I guess it was indicated in the testimony just prior to this that there would be no public funds, general funds or taxpayers' monies used in the development and determination of these toll bridges or lanes. However, during the line of questioning in the Committee on Economic Development and Business Concerns which I participated in, I specifically asked the current Acting Director if State funds would be used in some portion or fashion to the development or building of the supposedly toll roads. And he answered that yes, they could make an agreement using this vehicle, make agreements in which taxpayer monies would then be used in the development and partial payment, up to 50% or more, into the design, maintenance and operation of these partnerships.

"Mr. Speaker, we are already being taxed currently for a mass transit system. My community is very open to looking at all forms of alternative transportation. However, do we want to be currently paying for two? It won't be out of the GET, so who's going to pay for it then? Thank you, Mr. Speaker."

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

"Mr. Speaker, rising in opposition. It's my understanding that the key component of this bill is to double deck Nimitz Highway, which I'm open to, but I believe that toll roads will hurt those who can least afford it because these toll roads will be focused on H-1. And the toll roads, from my understanding, will go up prior to some of the construction for a new lane.

"In addition, there's also, I believe, an issue of who will be managing our highways. Will it be a public entity or will it be government workers? Thank you."

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

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

"I rise in support, mainly because I did believe that this State is not capable of providing all the services that we require, whether it's new hospitals or schools or roads. And I am for whatever we can do to open up that private investment. This is a great first step and we can work out those details, but I think it behooves us to check out every available possibility for increasing private investment in our structure.

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

"Yes, Mr. Speaker. I wish to speak in favor of the toll roads. And actually this bill will provide an option. An option for this present Department of Transportation and future Department of Transportations to use. It doesn't mean we're going to use it at all. But if the situation is such that it warrants it, then they would go to the community and have the hearings out in the community, showing the options that the community has.

"Right now you don't have that many options, Representatives. You have the rail. The rail is going to take fifteen years or more, and it's going to be a direct line from some area in Kapolei to the Ala Moana Shopping Center. There's a big question of how many people are going to be using the rail. I believe in the future it will be great when you start having trunks to different areas on Oahu. But until you have that, and until you can get people away from the automobile, which you won't unless there is some negative incentives, which we as politicians won't do, you're going to have difficulty with the rail to provide the prop to relieve the congestion that we have.

"Now when you look at the other alternatives, the rail will take fifteen years or more. And that's only for the first phase. What other alternatives you have? Right now we have approximately \$150 million a year that comes in highway funds, which will probably diminish because it's determined by the gas tax and the amount of gas usage that we have. The future in automobiles is smaller automobiles that have less gas consumption which will mean less dollars coming into the State of Hawaii. This is the future that we have, as far as highway money.

"Now there are 4,000 or 5,000 homes, plenty to be built on the Ewa Plain, on the West side. The University is planned to be built at some point in time. How are you ever going to get out of Mililani if you're going to come downtown? You're going to have constant gridlock? You won't be able to get out unless there are other more practical alternatives for the short-term, and not the rail for the long-term. And tolls may be a consideration. It may be an option that you would want to look at. And that's all it is. It's an option. You're going to want it. Otherwise, you're going to want to stay in your community and don't leave at all. That's an option. But anyway, I'm joshing a little bit. But there is a gridlock problem that's going to be growing and it's getting get worse every day. And the rail is going to take a long to realize.

"Now there's nothing wrong with going in partnerships. That's been done throughout the world. And I think we need to open our mind as to the future of Oahu, especially, as we look into these gridlock problems. And so it is with Maui and other islands. That we need highways from Lahaina all the way to the airport, where you have gridlock in Lahaina. And do you think there's dollars enough to support the problems in Lahaina? The problems on the Big Island? The problems in Oahu with the dollars that we have coming in? It's not going to happen. So I just hope that you can open your minds and look at this as a long term solution, and just as an option. Thank you very much."

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

"Mr. Speaker, I join in support of this bill and the vision and thinking about the future. If you take what has been used in Washington DC and Jakarta, without this option, those cities literally would be gridlocked. And what we have to understand is that this is not a toll road forever and ever. It depends on what kind of a deal we cut with the private people. How much do they cost? How the traffic is going to be, and the numbers. And how far they're going to be down the line. Some can be as short as ten or fifteen years, it pays for itself, and then becomes a free road.

"There's also been use of subsidies, government subsidies in Washington DC. For example, I worked at USAID. I got a \$100 worth of bus passes, metro passes to use public transportation, which if this body so chooses, we can subsidize the use of that. There's many ways of doing it. But the previous speaker from Maui is so correct. There is not the money to do it. There are not the options that we have. And this is one that it seems, it's simply one. Let's try it. If it's something, it we pass the bill, at least we can think about it. It doesn't say they're going to use it, but it's going to give the opportunity for us to get out of our communities and get us out of this gridlock which nobody feels that we can do, especially with that train that goes nowhere."

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

"Just want to say that I'm in strong support and currently say that we cannot get out of Ewa Beach right now. Basically, I see this as an opportunity for the people of the Leeward Coast to have options and right now we're for anything at this point.

Representative Har rose to respond, stating:

"Thank you, Mr. Speaker. I appreciate the comments of all of my colleagues and I just can't stay silent any longer, so if you could just indulge me please. As I indicated earlier, I rise with reservations on Standing Committee Report No. 1200, H.B. 70, HD 3.

"Mr. Speaker, I rise with reservations on this measure to the extent that it could potentially impact residents of the Leeward Coast. While I'm not adverse to the idea of a public-private partnership between the Department of Transportation and a private entity, I'm opposed in the imposition of a toll to be paid by residents of the Leeward Coast for use of these roads.

"Mr. Speaker, geographic equity refers to issues surrounding how one part of the State is treated compared to another. And in the case of toll roads to be paid by only residents of the Leeward side, I submit that geographic equity is at issue here. As I previously explained in this body, when the State of Hawaii and the City and County of Honolulu, found it necessary to alleviate traffic in Honolulu, government decided to designate Kapolei as the Second City and moved people out to the west side. I, like many of my neighbors and constituents, moved out to the west side because as a first-time homebuyer, it was more affordable. More importantly, we bought into the dream of the Second City.

"Today, unfortunately, I along with many of my neighbors and constituents, feel that the dream of the Second City has turned into a nightmare. Residents of the Leeward side deal with unbearable traffic driving to and from town which has undoubtedly impacted our quality of life. In a recent report released by the Center for Housing Policy, researchers concluded that Oahu residents living outside of Honolulu pay an average 8 to 10% more in transportation costs. And anywhere from 14 to 16% more in combined housing and transportation burdens. Therefore, to expect residents of the Leeward side to pay a toll to find a faster way of getting into town is yet another burden we should not have to endure.

"The proposal of a toll road can be paid for those who would use it, for example, Leeward Coast residents, is a perfect example of geographic equity because if this proposal to pay for a toll road was made to residents of east Honolulu or the Windward Coast, I am certain that those residents would be extremely vocal in opposition. After all, we have managed to keep the country, country in some parts of the island, haven't we?

"A second reason I rise with reservations to the idea of toll roads as they apply to residents of the Leeward Coast, stems from income equity. Income equity refers to the ability of lower income people to access tolled facilities. Economically disadvantaged populations cannot take advantage of the benefits of toll projects. For example if using a toll project ..."

Representative Magaoay rose to yield his time, and the Chair, "so ordered."

Representative Har continued, stating:

"Thank you. For example, if using a toll project requires a transponder and you need a credit card or bank account to obtain one, then some people will be denied access to the project. Moreover, as I previously indicated to this body, there is no question when comparing the socioeconomic demographics of the residents of the Leeward side to the residents of East Honolulu or to the Windward side, again, it is inequitable. To expect residents of the Leeward Coast to have to pay a toll as an alternative means of getting into town while residents of the Windward side have essentially four ways for getting into town and do not have to pay for any of those routes.

"A third reason I rise with reservations to this measure deals with projected population and whether there's a ridership to support such toll roads leading from Kapolei to Downtown. In his testimony before the Finance Committee, Assistant Director of Transportation Brennan Morioka testified that 21 other states have enacted

legislation to enable public-private partnerships to finance highway capacity improvement including California and Florida. When asked if one of the key factors to the success of these public-private partnerships was population and ridership, Mr. Morioka answered in the affirmative.

"While many of the opponents of the rail support the measure before us today, citing lack of ridership, ironically the same argument applies in the case of toll roads. For example, in Orange County, California the State Road 91, often known as SR-91, high occupancy tollway, was established to alleviate congestion in the Anaheim and Orange County areas. The population however, in Orange County alone is 2 million.

"As we all know, Hawaii has a population of approximately 1.2 million people with approximately 800,000 people living on Oahu. Of that 800,000 living on Oahu, approximately 100,000 residents live on the Leeward side which is just 14% of the population that could potentially be utilizing any proposed toll road. It doesn't take a rocket scientist to figure it out that if the projected ridership is not present, the cost of the toll will inevitably be increased.

"It's premature and unwarranted for some of our colleagues to think that a high occupancy toll lane spanning from the Leeward side to Downtown will cost only \$2 one way, particularly as we do not have analysis or any private programs that will project the very factors determining the cost of toll roads.

"Mr. Speaker, a fourth reason I rise with reservations on House Bill 70, is the inherent danger that presents itself when a public transportation system is owned, operated or maintained by a private entity. For example, if you look to page 11, lines 14 to 17 of the bill, a private entity would be allowed to collect tolls or user fees including, without limitation, quote, "Lanes and facilities where the tolls may vary during the course of the day or week according to the levels of congestion anticipated or experienced." What this means is that the cost of the toll as proposed in this measure would not necessarily be fixed ..."

Representative Caldwell rose to yield his time, and the Chair, "so ordered."

Representative Har continued, stating:

"Thank you, Mr. Majority Leader. What this means is that the cost of the toll as proposed in this measure would not necessarily be fixed, but could increase in the event of congestion, most likely during rush hour. For example, the SR-91 HOV lane in Orange County can cost as much as \$7.75 for a ten mile trip during the most congested time.

"While many view public-private partnerships and the implementation of toll roads as the solution to building more roadways, there are additional dangers that exist. More prevalent now are the non-competition agreements that many private entities are imposing on states. For example, in California, strapped for adequate road-building funds, the California Legislature passed a law enabling the California Transportation Department to entertain proposals for up to four privately funded highway projects.

"The SR-91 HOV lane plan was the first project to be funded privately. The State awarded a private entity the contract to build a roadway down the SR-91 median. The private entity required the State of California to assent to the company's requirement for a non-competition agreement so that public highways near SR-91 would not be maintained or improved until the year 2030. In other words the State was to allow the State highways to crumble for decades, forcing the public onto the private toll roads. California eventually agreed that it could not leave their roads to deteriorate and endanger lives so it began to fix the nearby roads. The private entity sued the State of California for breach of contract and the public learned the true cost of the private road. The public was furiously and turned against the project and the government that had agreed to do it.

"Most recently, the General Accountability Office, the non-partisans congressional investigative agency, found that an increasing number of tollways include non-competition clauses in their contract under which the public sector agrees not to build any new roads or approve improvements of the existing roads that may result in additional capacity within a predetermined distance of a newly constructed road for a certain period of time. Where these agreements *per se* did not exist there were "understandings" the state did not build a competing road.

"The SR-91 experience has forced privatization proponents to find creative ways to achieve the same end. One way is to require the states to compensate the private owner for any revenues lost when improvements are made to nearby roads. California State Law 125 includes the provision that allows the State to build a competing road, but only if the State reimburses the private company for revenues lost to the new road. Calculating those revenues is again, is an enterprise filled with uncertainty and opportunities for overreaching.

"Finally, Mr. Speaker I rise with reservations because I am not sure whether building more lanes on our freeways is the answer to our traffic woes. I am skeptical after witnessing the widening of the Waimalu viaduct in Pearl City. The State spent \$70 million to widen the H-1 freeway Ewa bound to build six lanes going all the way to the Pearl City off-ramp. But now that it's all said and done, the additional lane has not significantly improved the quality of life in Central Oahu. While proponents of ..."

Representative McKelvey rose to yield his time, and the Chair, "so ordered."

Representative Har continued, stating:

"Thank you, Representative McKelvey. While proponents of toll roads cite Black Tuesday as a reason for additional roads, I submit that Black Tuesday epitomizes the need for alternative methods of transportation, such as fixed rail. The point is that in order to alleviate traffic, we need to get cars off the road which is precisely why I support a fixed guideway system on Oahu. Creating additional roads will only encourage people to remain in their cars.

"For these reasons, Mr. Speaker, I rise with reservations on HB 70, HD 2. Should this measure move forward, I ask my colleagues to consider the equitable arguments I have raised and suggest that if one person on this island is required to pay a toll, then all people living on this island should have to pay a toll. Thank you, Mr. Speaker."

At this time, Vice Speaker Karamatsu stated:

"Thank you. Members, we've had a wonderful discussion on this measure. At this time, I allow written comments to be inserted in the Journal."

Representative Ward rose, stating:

"Mr. Speaker, this is very apt, if I may. If I may beg your indulgence. Because the issue of equity, particularly geographical equity, is a very divisive conflict. It's why Yugoslavia broke apart. My position as it was before is in support of this, and strongly for it.

"The notion of saying, 'We are the ones who pay all of the taxes.' That's the way that Yugoslavia broke up. I know we're not Yugoslavia, but we are the districts, and if I may put my district hat on, Mr. Speaker. My district in East Honolulu, the \$3 to \$6 billion rail and train, which we get no benefit out of, this particular individual who just spoke, has got the benefit of that, but yet is saying, 'Well, we don't have that corridor. We don't want to give the option for other places in the state, such as Maui and other places that may need that option.

"So the irony is that the corridor the runs through the place where the Representatives is objecting the most seems to forget that the train travels right in the particular district of Kapolei of which we, and many other parts of this particular island are paying for. Now where is the equity in that geographical distribution? Thank you."

The Chair then stated:

"Members, the Chair will now allow written comments to be inserted into the Journal."

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

"Just brief comments, Mr. Speaker, in strong support."

Vice Speaker Karamatsu: "To be entered in the Journal in support?"

Representative Cabanilla: "No, I want permission to insert comments plus ..."

Representative B. Oshiro rose to a point of order, stating:

"Point of order, Mr. Speaker. I believe you've made a ruling and people should be following that ruling. Thank you."

Vice Speaker Karamatsu: "Representative Cabanilla, could you please ..."

Representative Cabanilla: "I just would like the ORTP of 2030 to be inserted in the Journal in addition to my remarks, and also an article from the *Small Business News* by [honolulutraffic.com](http://honolulutraffic.com) that outlines the State's ability to build new freeways and new lanes."

Representative Cabanilla's written remarks are as follows:

"Mr. Speaker, I am in strong support of this bill. To accompany my remarks Mr. Speaker, I request that the Oahu Regional Transportation Plan 2030 that was approved by the Policy Committee of the Oahu Metropolitan Planning Organization in April 2006 be inserted into the Journal.

"On page 7 of the 2030 Oahu Regional Transportation Plan, is a category entitled, "Illustrative Projects." The description reads, "The Oahu Regional Transportation Plan 2030 identified potential projects that could prove beneficial as transportation improvements for the island of Oahu, but 2030 revenue projections could not support inclusion of these projects in the plan." Meaning, there is no money to fund either a Pearl Harbor crossing by way of a tunnel or bridge, and no monies to design and construct an elevated reversible high occupancy toll lane within the H-1 travel corridor.

"Furthermore, still referencing the ORTP 2030 document, on page 13, illustrations reflect that there is only \$3.28 billion for highway construction statewide through the year 2030. This money is to build new roads, the small connecting roads that communities have been waiting decades for Mr. Speaker. In other words, not one inch of new freeway is being financed by the State to construct additional lanes that would go all the way from the Leeward side of Oahu into town.

"For my colleagues that agree with me that we are in a transportation crisis, please accept the fact that the State fiscally can not afford to entertain the planning, design, and construction of a new freeway to augment the H-1 without sacrificing any and possibly all other highway projects planned statewide for at least another 20 plus years.

"Bottomline Mr. Speaker, is that if traditional means were to be employed to construct a 15 to 20 mile brand new reversible elevated road without utilizing a toll, the costs to the State taxpayer could range from estimates at \$1 billion to \$2.7 billion dollars. At this time

Mr. Speaker, I request that I be permitted to include in the Journal an article from this month's *Small Business News* by [HonoluluTraffic.com](http://HonoluluTraffic.com) that outlines the State's ability to build new freeway lane miles.

"Simply put, HB70, HD3 is a tool for the Governor to address our transportation crisis. To vote against HB70 HD3, is a vote to do nothing. A vote of "no" accepts the status quo as acceptable. No new major freeway is expected or even planned to be financed by the State especially with federal subsidies shrinking.

"The Ewa Neighborhood Board took a position last month to favor this bill. They were smart enough to support this bill because without it, they knew that nothing can or will be done to address the needs of the motorist now or in the future. They did their homework Mr. Speaker. They studied the alternatives and participated in numerous OMPO meetings to get educated on the facts. As the Representative for the Ewa and Waipahu area, I can assure you Mr. Speaker that my constituency supports the concept of the toll road knowing that nothing else will be on the table in our lifetime to alleviate our plight outside of a toll road.

"HB70, HD3 permits the private sector to construct new freeway lanes and to recoup its costs through the collection of a toll. Over 20 States and numerous other countries employ the means of tolling. If you don't use the toll road, you do not have to pay for it. Use it, then pay. Nothing could be better for the taxpayer.

"The payment of a toll has been linked with the phrase, "Congestion Insurance."

"Congestion insurance provides the motorist with an alternative. For example, it is a fact that the rate of flow of traffic on Martin Luther King Day during the zipper lane repair ordeal is to be the everyday norm for Oahu's H-1 freeway by the year 2030. Imagine, if no new freeway is built, a one and a half hour commute today will be a three hour commute in less than 20 years. Congestion insurance is knowing that you have the option of taking a two hour ride and shaving it down to 20 minutes with the payment of a few dollars. Tolling technology today utilizes billing methods that permit the motorist to not have to stop at all once on the actual freeway, but instead be billed by mail or by debit with scanning features applied to the vehicle.

"A statement was made by a colleague in Finance Committee earlier this week that opined if another freeway were made available, where would all the cars go once in town? The answer is simple. The same people going into town using the H-1 are the same people who could use the toll road. The equation is the same – only that these same motorists utilizing the toll road will get to town quicker. What is wrong with getting the motorist into town quicker? What is wrong with providing a better quality of life for those that cannot give up their car within their daily routine?

"In conclusion Mr. Speaker, without this measure passing, the motorists' quality of life will continue to dwindle with no relief in sight other than to forfeit one's own car and be subjected to ride the bus or train. The majority of us will want to continue to use our cars no matter how many buses or trains are available because for the majority of residents in our State, that's how they conduct their business. By voting no, is to explain to every motorist that you will just have to endure the traffic congestion because without the private sector's assistance, no new lanes are forthcoming, period."



**WHAT IS THE ORTP?**

The Policy Committee of the Oahu Metropolitan Planning Organization (OahuMPO) approved the Oahu Regional Transportation Plan (ORTP) 2030 in April 2006.

The ORTP 2030 is a blueprint that guides us in putting together pieces of the transportation puzzle to address the mobility issues and transportation needs of our community. It is a multifaceted plan that integrates planned growth patterns and reflects available financial resources over the next 25 years. It includes a vision and goals, identifies projects and provides an implementation program for mid- and long-range investment of the available transportation funds across Oahu in a fair and equitable manner.

The development of the plan helps decision-makers understand the options that are available for improving the transportation system and how they address our mobility needs. Any future transportation improvement for Oahu that receives federal transportation funds must be consistent with the ORTP in order to be eligible for these funds.



This regional planning document is required by a number of state and federal mandates and requirements which include the Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU). These requirements are mandated by the U.S. Department of Transportation as a means of verifying the eligibility of metropolitan areas for federal funds earmarked for surface transportation systems.

The ORTP is updated at least every five years to ensure that transportation decisions are based on current information and community priorities. As part of each update, future population and employment are projected and corresponding changes in travel patterns, revenue, and construction costs are forecast to validate and test past and new directions for transportation development on Oahu. The ORTP 2025 was adopted in April 2011. The current plan, adopted in April 2006, updates the ORTP to 2030.

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**Transportation and New Growth**

As we continue to grow, more people and more employment opportunities mean more and more traffic; more clogged roads and more delays getting to work, school, stores, and the beach. As an illustration of how congested the transportation system could become, a "Baseline 2030" analysis was conducted to estimate future traffic conditions if growth is allowed to occur but no new transportation facilities are built. Figure 2 shows significantly congested locations on Oahu during the morning peak hour in the Baseline 2030 analysis.

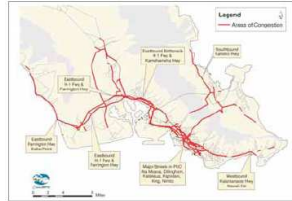


FIGURE 2: LOCATIONS OF SIGNIFICANT AM CONGESTION (BASELINE 2030)

The impact of the congested roadways corresponds to increases in travel time for all Oahu residents; some increases are huge, depending upon where they live and work. Figure 3 shows the travel time from each area on Oahu to downtown in the Year 2000. Figure 4 shows the projected travel time from each area on Oahu to downtown Honolulu for the Baseline 2030 if nothing is done. Travel times in excess of 80 minutes are projected from the western and northern portions of the island to downtown Honolulu during the AM peak period.

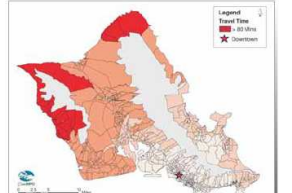


FIGURE 3: AM PEAK PERIOD TRAVEL TIME TO DOWNTOWN (YEAR 2000)



**LOOKING AT THE FUTURE OF OAHU**

The Primary Urban Center (PUC) in Honolulu and the Secondary Urban Center in Kapolei have been designated by the City and County of Honolulu as the projected areas where growth in residential development and employment shall occur over the next 25 years. Additional growth is encouraged in Central Oahu to relieve pressure on the rest of the island.

Figure 1 graphically shows the amount of future growth in residential development and employment expected in each of the eight development plan areas of Oahu. Of the 240,000 new residents and 130,000 new jobs expected on Oahu by 2030, about 80 percent will be located in the PUC and in Ewa.

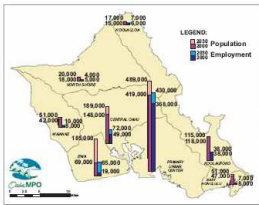


FIGURE 1: POPULATION AND EMPLOYMENT GROWTH BY DEVELOPMENT PLAN AREA

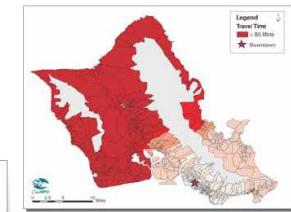


FIGURE 4: AM PEAK PERIOD TRAVEL TIME TO DOWNTOWN (BASELINE 2030)

**Challenges Facing Oahu**

To solve the transportation puzzle, we must address several challenges that Oahu will face over the next 25 years:

- We will have more people: more people who want to go to work, to school, to shop, and to play, resulting in about 30% more travel.
- Many of our major roadways are congested, especially those within the H-1 travel corridor between Manoa/Waikiki and Kapolei. As a result, residents on the Waianae Coast, in Ewa, and in Central Oahu are experiencing some of the worst morning commute travel times to downtown.
- Established communities want additional access for times of emergency as well as congestion relief.
- Many of our existing roadways need to be maintained, repaired, and rehabilitated.
- Our numerous transportation needs are constrained by our limited resources.

Our ultimate challenge is to decide how to allocate our resources to meet our many needs. There is only so much money available to fund transportation projects. How much money should be spent to reduce congestion on our roads, make our streets safer, provide more bikeways, create alternate accesses to communities, and maintain our roadways?

**VISION FOR OAHU IN 2030**

The vision for the ORTP 2030 is:

*In 2030, Oahu is a place where transportation choices are available and the importance of the H-1 travel corridor is recognized.*

The first part of our vision focuses on increasing our mobility options. We recognize that we cannot afford to eliminate congestion. To improve mobility, the ORTP 2030 provides a number of strategies and programs to address

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the island's future transportation needs. These include major capital improvement projects that add to the system's person-carrying and vehicular capacities, projects that expand on the existing systems and services to optimize their use, increased focus on operational, management and preservation strategies, and programs that help integrate the transportation system into the land uses of each community.

This vision also acknowledges the importance of the H-1 travel corridor. The projects included in the transportation plan propose numerous ways to address the additional traffic congestion expected to increase along this travel corridor.

- A major component of the ORTP 2030 is a rail transit system between Kapolei and Manoa/Waikiki.
- Also included in the plan are projects to increase the capacity of H-1 itself with new interchanges, additional High Occupancy Vehicle (HOV) lanes, freeway widening, and operational improvements at key locations. These major H-1 travel corridor projects are supplemented with two projects that provide alternatives to H-1: the intra-island commuter ferry from Ewa to downtown Honolulu and the Nimitz flyover HOV facility.
- The ORTP 2030 implements the island's bikeway plan, expands the bus system, includes several second access/emergency access roadways and projects to maximize the use of existing facilities, and other measures to reduce the need for auto travel.

**GOALS**

The ORTP 2030 will advance us toward the vision for addressing future growth and traffic on Oahu. To meet our vision, the island-wide transportation plan for Oahu is defined by three overarching goals.

**Transportation Services System:** Develop and maintain Oahu's islandwide transportation system to ensure efficient, safe, convenient and economical movement of people and goods.

The objectives guiding this goal include increasing capacity of the system, providing an efficient and convenient transit system, providing access to all important destinations, serving all intermodal terminals, ensuring that projects are distributed equitably, ensuring that safety and security is provided, integrating the entire system, supporting economic development and providing for system preservation.

**Environment and Quality of Life:** Develop and maintain Oahu's transportation system in a manner that maintains environmental quality and community cohesiveness.

The objectives associated with this goal are directed at developing a plan that satisfies noise, air and water quality standards, encourages energy conservation, preserves cultural integrity and natural resources; develops alternative transportation modes that are environmentally

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The proposed rail transit system from Kapolei to Manoa/Waikiki will become the backbone of the transit system, connecting major employment and residential centers to each other and to downtown Honolulu. This project also includes associated feeder bus services for each station and access ramps and other freeway improvements to facilitate the flow of buses that supplement the rail system.



**Transit System Expansion**

While rail transit is the backbone of the transit system in the ORTP 2030, the existing bus system will continue to be an important element of public transportation. Many rail system passengers are expected to access the system using City buses traveling to and from their destination. Expansion of the bus system will be focused primarily in Ewa, with moderate increases in other parts of Oahu, including express bus service to rural areas. Purchasing and replacing new buses to support service increases are included in the plan.

An additional element of future transit service implements an intra-island express ferry service from Ewa to Honolulu Harbor.



friendly, including pedestrian walkways and bicycle routes; optimizes use of transportation resources; minimizes disruption of neighborhoods; ensures compatibility with the physical and social character of existing development; incorporates landscaping and public safety; and plans for emergencies.

**Land Use and Transportation Integration System Goal:** Develop and maintain Oahu's transportation system in a manner that integrates land use and transportation.

The objectives that support this goal reinforce planned population distribution and land use development policies, encourage innovation, and encourage implementation of land use policies that support efficient use of transportation systems.

**OVERVIEW OF ORTP 2030 PROJECTS**

The ORTP 2030 is a financially-constrained plan that provides \$6.07 billion for capital projects and \$7.47 billion to operate, maintain, and preserve the highway and transit systems. The projects contained in the ORTP 2030 attempt to balance our need for mobility options, congestion relief, safety, second access, and bicycling and pedestrian facilities.

To improve mobility, a number of strategies and programs are proposed. These include new travel options such as rail transit and ferry systems that add to the system's person-carrying capacities; projects that expand upon the existing systems and services to optimize their use; increased focus on operational, management and preservation strategies; and programs that help integrate the transportation system into the land uses of each community.

With regard to congestion relief, the technical analysis and public input received during this effort highlighted the need to focus on the H-1 travel corridor and the Ewa and Central Oahu areas. Preliminary analysis indicated that island-wide congestion could be significantly addressed by focusing on the H-1 travel corridor. The need for transportation infrastructure in the Ewa area is already apparent and will increase in the future as population and employment are projected to grow substantially. Additional population and employment increases are also projected in Central Oahu.

The following provides descriptions of specific elements of the plan. Individual projects are listed on pages 15 through 19.

**Rail Transit System**

A key component of the ORTP 2030 is a rail transit system that will serve the H-1 travel corridor. It is important to note that building a rail system will not eliminate congestion. We will also not be able to eliminate congestion by building more highways, for we do not have the resources to keep up with the demand. The rail transit system will give priority to moving people rather than cars, will be a major factor in providing mobility options, and will work together with our land use policies in shaping our city.

**Congestion Relief**

The ORTP 2030 acknowledges that auto travel is, and will continue to be, a dominant travel mode and; subsequently, increases in roadway capacity will be required. This is especially true in the H-1 travel corridor and where congestion is forecast to increase significantly if new projects are not constructed. This plan provides an additional 140 lane-miles to Oahu's major roadways.

As part of the ORTP 2030, new and expanded roadway projects are proposed for the Ewa area, Central Oahu, and PUC, where the majority of the residential and employment growth is projected. For the Ewa area, these projects include expansion of several roadways like the North-South Road and Kapolei Parkway; new or modified freeway interchanges in Kapolei and Makakilo; and the widening of existing roadways such as Farrington Highway, Fort Barrett Road and Kunia Road. Examples of roadway projects in the Central Oahu area include expansion of Kamehameha Highway and H-1 between the Waiau and Waialua Interchanges; and widening and improvements at the H-1 and H-2 Waialua Interchange. Several capacity enhancement projects to various sections of Interstate Route H-1 from Pearl City to downtown Honolulu are also programmed.



**Bicycle Facilities**

One hallmark of a livable city is that its public spaces are actively used and the outdoors can be enjoyed. Honolulu is a great city for bicycles with its physical beauty, mild year-round climate, relatively flat coastal plain and compact form. Enhancing the appealing qualities of Oahu can be achieved in part by integrating bicycle facilities as a key component of the transportation system. The ORTP 2030 incorporates the Oahu elements of Bike Hawaii and the "Priority One" projects identified in the Honolulu Bicycle Master Plan. This provides Honolulu with an integrated network of on-road bike lanes and off-road shared-use paths to link people with their favorite destinations.

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**Pedestrian Facilities**

The majority of us walk to get to our cars, catch a bus, and run errands on our lunch breaks. Some of us walk for exercise as well as to get to work and to shop. In past plans, pedestrian facilities were combined with bicycle facilities. We recognize that the needs of pedestrians are, in many cases, different from those of bicyclists. To address this difference, the ORTP 2030 includes development of a pedestrian plan for Oahu as part of the Enhancement Projects.

**Intelligent Transportation Systems**

The ORTP 2030 contains an intelligent transportation systems (ITS) line item. ITS is a collection of technologies that enable multiple agencies to work together to manage the transportation network better. ITS can include services for highways, transit services, commercial vehicle operations, and emergency service providers. ITS technologies can be used for emergency response and incident management. They are effective in lessening the amount of time it takes to clear an accident on the freeway as well as providing travelers with information on traffic conditions and transit schedules.



**TDM and TSM**

Transportation Demand Management (TDM) and Transportation System Management (TSM) programs consist of measures that are designed to reduce the demand and increase the efficiency of the transportation system. The TDM and TSM programs for Oahu include facilities to enhance flow, such as HOV lanes on freeways, park-and-ride lots, bus-only lanes on city streets, and even separate HOV facilities. Also included are programs to help form and maintain carpools and vanpools as well as programs to give people incentives to ride share.



**Second Access Highways**

While the coastal plains are relatively flat, Oahu's interior terrain is divided by two primary mountain ranges that can make access between communities difficult. Many of the established communities on the island have only one roadway into and out of the area. Providing a second means of access to these communities serves to increase the capacity to these areas and to provide needed emergency access. Four "second access" projects are included in the ORTP 2030 for Makakilo, Mililani Mauka, Wahiawa, and the Waianae Coast.

**Operations, Maintenance and System Preservation**

The ORTP 2030 recognizes the importance of the existing and future roadways and transit systems from the perspective of operations, maintenance and preservation. The plan includes the allocation of funding for these categories totaling \$7.47 billion or approximately 55% of the plan cost. This funding covers both City and State facilities.

City operations and maintenance funding includes operating the public transit system (TheBus, paratransit, the proposed rail system, and the proposed commuter ferry system), transit vehicle replacement, and roadway system maintenance and operations. A total of approximately \$5.62 billion is estimated for City operations and maintenance over the 25-year life of the plan, consisting of about \$4.675 billion for transit operations and maintenance, \$414 million for replacement of the existing bus fleet (identified as part of "Transit Capital: Non-Rail" in Figures 19 and 20), and \$532 million for roadway system maintenance and operations.

Maintenance and operation of the State's existing and future highway operations and routine maintenance includes, but is not limited to, pavement repair, guardrail and shoulder improvements, lighting improvements, drainage improvements, sign upgrades and replacement, traffic signal upgrade and retrofit. About \$550 million is allocated in the plan for State maintenance and operations.

- The added transportation improvements in the ORTP 2030 are forecasted to reduce the average travel time per vehicle trip from 11.5 minutes to 10.4 minutes.
- Daily vehicle hours of delay decrease from 42,000 to 37,000 hours, as seen in Figure 14.
- Indicators for traffic congestion during the AM peak period are mixed.
  - From an islandwide perspective, auto drivers can expect more "bottlenecks."
  - Average travel times from various areas on Oahu to Downtown improve slightly between the Year 2000 and the ORTP 2030 when comparing Figure 3 with Figure 9, with the differences highlighted in Figure 10. Travel

time is projected to decrease from 22.7 minutes to 21.0 minutes.

Comparing the ORTP 2030 to the Baseline 2030 conditions:

- The Baseline 2030 provides limited transit improvements such that transit mode share is reduced from Year 2000, as shown in Figures 5 and 7. Notably, resident transit trips are projected to increase to 8.9% under the ORTP 2030 (3.4% more than the baseline condition), with the percentage of automobile and bike/walk trips decreasing. The increase in transit mode share translates into 123,000 additional transit trips (126,000 with visitor transit trips, as shown in Figure 15).



FIGURE 8: LOCATIONS OF SIGNIFICANT AM PEAK PERIOD CONGESTION (ORTP 2030)

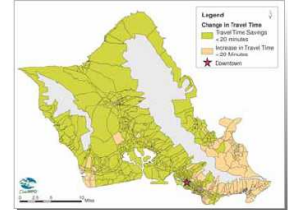


FIGURE 10: CHANGE IN AM PEAK PERIOD TRAVEL TIME TO DOWNTOWN (YEAR 2000 TO ORTP 2030)

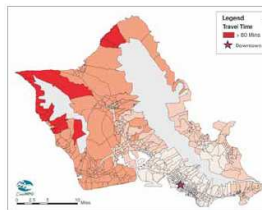


FIGURE 9: AM PEAK PERIOD TRAVEL TIME TO DOWNTOWN (ORTP 2030)

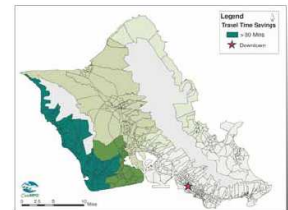


FIGURE 11: CHANGE IN AM PEAK PERIOD TRAVEL TIME TO DOWNTOWN (BASE LINE 2030 TO ORTP 2030)

The ORTP 2030 allocates \$1.0 billion over the life of the plan to preserving the highway system through projects including, but not limited to, bridge replacement and seismic retrofit, pavement preventative maintenance, erosion control, viaduct improvements, and road resurfacing and rehabilitation projects.

**Illustrative Projects**

The ORTP 2030 planning process identified many potential projects that would be beneficial as transportation improvements for the island of Oahu, but 2030 revenue projections could not support inclusion of these projects in the ORTP 2030 at this time. As part of the endorsement of the ORTP 2030, the OAHMPO Policy Committee identified a subset of those projects as "illustrative projects."

Illustrative projects are those projects that are considered high-priority for inclusion into the regional transportation plan should additional, firmly-established funding revenue sources become available. Illustrative projects are not considered to be a part of the officially endorsed regional transportation plan. Projects considered in the plan development and included on the ORTP 2030 illustrative projects list include the concept of a Pearl Harbor crossing (tunnel or bridge) and elevated reversible high occupancy toll ("HOT") lanes within the H-1 travel corridor.

**HOW THE PROJECTS WORK TOGETHER**

Between 2000 and 2030, we project that the number of trips people make will increase by just over 30%. This means about a third more people wanting to go to work, school, stores, beach and other places. Travel forecasting models were used to estimate how projects contained in the ORTP 2030 would collectively handle this demand. To help evaluate the quality of our future transportation system, comparisons were made between the ORTP 2030 and 1) Year 2000 conditions, and 2) Baseline 2030 conditions.

Comparing the ORTP 2030 to the Year 2000 conditions:

- Although we do not expect the percentage of people biking or walking to significantly change, transit ridership is projected to increase. As seen in Figures 5 and 7, the transit mode share is projected to increase from 5.7% to 8.9%, which translates into about 166,000 additional transit trips (170,000 with visitor transit trips as shown in Figure 15). Although the percentage of automobile trips is expected to decrease from 84.0% to 81.0%, there is still projected to be over 600,000 additional automobile trips.
- The added population growth and roadways in the ORTP 2030 will generate more travel during the day, resulting in a 22% increase in vehicle miles traveled (VMT) and 17% increase in vehicle hours traveled (VHT), as seen in Figures 12 and 13, respectively.

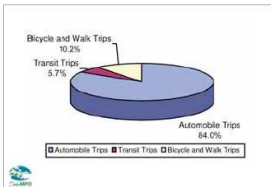


FIGURE 5: YEAR 2000 DAILY RESIDENT PERSON TRIPS

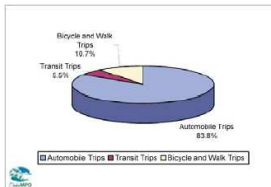


FIGURE 6: BASELINE YEAR 2030 DAILY RESIDENT PERSON TRIPS

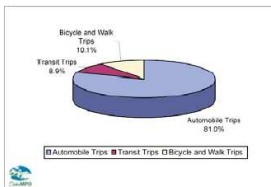


FIGURE 7: ORTP 2030 DAILY RESIDENT PERSON TRIPS

- Figures 12, 13, and 14 illustrate that if no new transportation projects are built under Baseline 2030, we can expect congestion to significantly worsen. Improvements contained in the ORTP 2030 work together to reduce this congestion, with a resulting 6% decrease in VMT, 41% decrease in VHT, and 85% decrease in daily vehicle hours of delay.
- The transit mode share by residents is projected to increase to 8.9% (3.4% more than the baseline condition), with the percentage of automobile and bike/walk trips decreasing. The increase in transit mode share translates into 123,000 additional transit trips (126,000 with visitor transit trips).
- Indicators for traffic congestion during the AM peak period are positive, suggesting that the ORTP 2030 will alleviate the substantially increased

delays and travel times projected in the Baseline 2030 along the H-1 travel corridor.

- From an islandwide perspective, auto drivers can expect fewer "bottlenecks," as can be seen in comparing Figure 2 with Figure 8.
- Average travel times from various areas on Oahu to Downtown decrease by 26.0 minutes, from 47.0 minutes to 21.0 minutes. As seen in Figure 11, Waianae Coast and Ewa residents realize the greatest travel time savings. However, it should be noted that there will still be pockets on the Waianae Coast and North Shore where travel times to downtown Honolulu are still expected to exceed 80 minutes during the AM peak period.

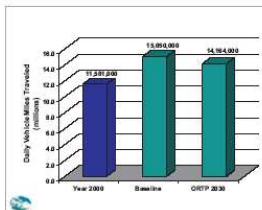


FIGURE 12: DAILY VEHICLE MILES OF TRAVEL

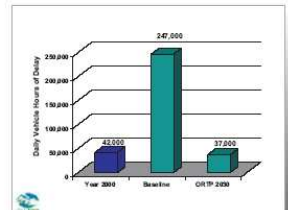


FIGURE 14: DAILY VEHICLE HOURS OF DELAY

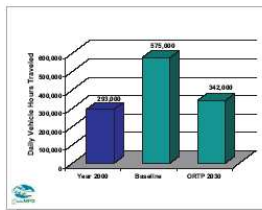


FIGURE 13: DAILY VEHICLE HOURS OF TRAVEL

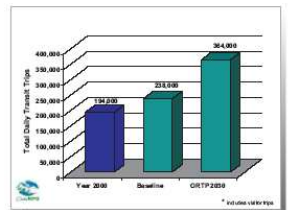


FIGURE 15: DAILY TRANSIT TRIPS

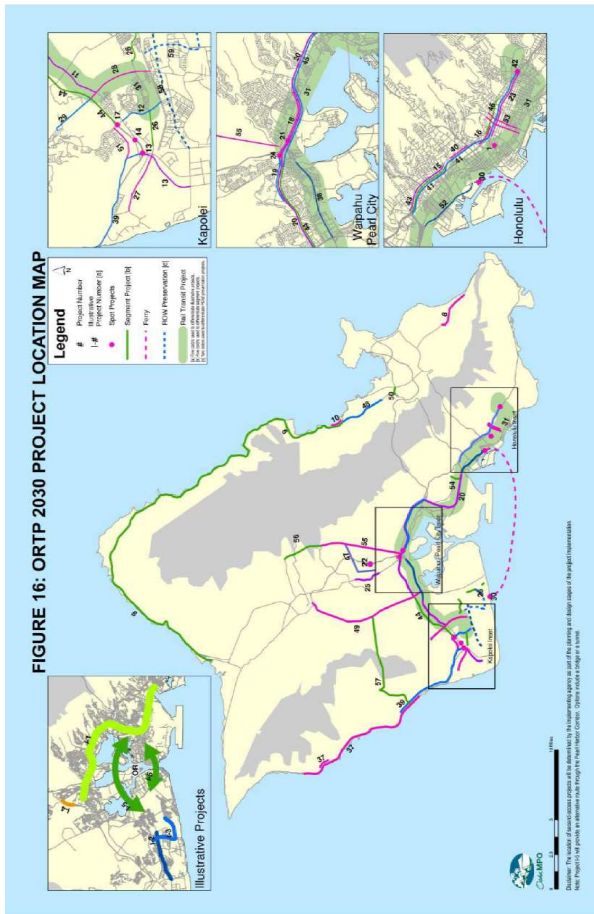


FIGURE 16: ORTP 2030 PROJECT LOCATION MAP

Revenue projections are used to estimate the level of transportation "supply" Oahu can reasonably afford and are based on the best available information. The primary purpose of these projections is to ensure the financial viability of the ORTP 2030 from a regional perspective. As projects move from the ORTP 2030 to the development of individual projects, funding assumptions (e.g., source of funds, level of funding, etc.) may be modified. Generally, these modifications should not substantially affect the ORTP 2030 financial plan. Revisions to the ORTP and its financial plan can be made during its regular five-year update cycle or when an action triggers the need for such an adjustment. Amendments to the ORTP 2030 financial plan may be made if major changes are made to the funding assumptions that would affect the plan's financial viability.

**Cost of Plan**

The ORTP is a financially balanced plan; the total cost for the 25-year plan is limited to \$13.54 billion. The cost estimates for the plan include capital improvement projects, costs to operate and maintain the current and expanded transit system, and costs to maintain and preserve the highway system, as identified in Figure 19.

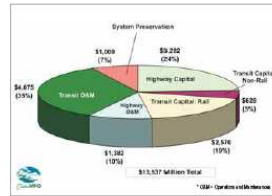


FIGURE 19: ESTIMATED PLAN COSTS 2006-2030 (Millions of Constant 2005 Dollars)

The plan provides \$1.0 billion for highway system preservation. Maintenance and preservation of the transportation system is important because it provides a safe and efficient system for Oahu's roadway users. Without timely maintenance, the life of the transportation system would be shortened, leading to more expensive replacement costs as the system fails prematurely. The plan also sets aside \$1.36 billion for highway operations

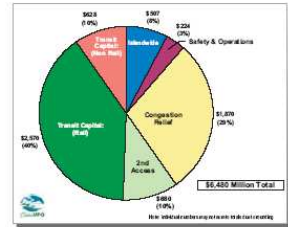


FIGURE 20: PROJECT CAPITAL COSTS BY TYPE (Millions of Constant 2005 Dollars)

and routine maintenance (\$0.85 billion for State and \$0.53 billion for City & County), and \$4.68 billion to operate the transit system (bus, paratransit, ferry, and rail), of which \$144 million is to operate and maintain the commuter ferry.

The ORTP 2030 includes more than \$6.48 billion in capital costs, as seen in Figure 20: \$3.28 billion for highway construction, \$0.63 billion to implement a ferry system, purchase new buses and construct transit centers, and \$2.57 billion to build the rail system.

In order to counter some of the neglect of the past, the plan increases spending for system preservation in the early years, then reduces the amount of spending in later years back to traditional levels, as shown in Figure 21.

The financial plan for the ORTP 2030 is balanced, with projected revenues and estimated costs matched at \$13.54 billion over the 25-year period of the plan.

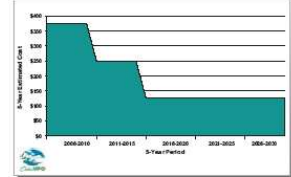


FIGURE 21: SYSTEM PRESERVATION COSTS (Millions of Constant 2005 Dollars)

**PAYING FOR THE PLAN**

The ORTP 2030 is a financially balanced plan that optimizes projected costs with anticipated revenues.

**Sources of Revenue for the ORTP**

The primary sources of revenues used to support the surface transportation system for Oahu have been, and will continue to be, the Federal, State, and City and County governments. We estimate that about \$13.5 billion will be available over the next 25 years for transportation on Oahu as shown in Figure 17.

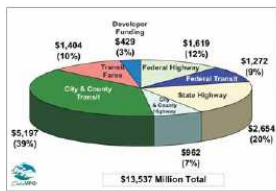


FIGURE 17: ESTIMATED TRANSPORTATION REVENUES: 2006-2030 (Millions of Constant 2005 Dollars)

The federal portion of these funds, which represents about 21% of the total, is provided through highway funds from the Federal Highway Administration (FHWA) and transit funds from the Federal Transit Administration (FTA).

The State portion, which represents about 20% of the total, comes from the Highway Special Fund and the State Capital Improvement Program (CIP). The Highway Special Fund receives its money from the State liquid fuel tax, registration fees, motor vehicle weight tax, and car rental/tour vehicle tax.

Revenues from the City and County of Honolulu will pay for about 46% of the transportation system costs from 2006 to 2030. Figure 18 identifies the various sources of City funds, including the General Fund as well as County fuel tax, County motor vehicle weight tax, and public utility franchise tax. The County's 0.5% general excise tax (GET) 15-year surcharge (beginning in 2007) to fund the rail transit system component of the Plan is assumed.

The City and County also collects transit fares that cover 27% to 33% of the cost to operate the bus system.

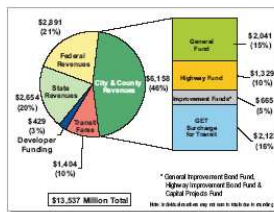


FIGURE 18: BREAKOUT OF CITY & COUNTY CONTRIBUTION TO TOTAL REVENUES: 2006-2030 (Millions of Constant 2005 Dollars)

For planning purposes, a portion of the plan is expected to be funded by the private sector to cover some highway project costs and a portion of the TDM element of the ORTP 2030. Although this source is labeled "developer funding," it is not limited to impact fees and includes other options allowed by state law or county ordinances.

The assumed level of revenues from developer contributions is not intended to establish any developer funding obligations, commitments, or guidelines. Actual funding obligations and commitments will be determined through other planning efforts of the City and County and/or the State.

**Revenue Projections**

The amount of money that will be available to pay for the capital improvement projects included in the plan and the cost to operate and maintain the system over the 25-year life of the plan were projected using historical trends and future expectations.

Total revenues of approximately \$13.54 billion are anticipated over the 25-year life of the plan. The \$13.54 billion includes \$2.9 billion in Federal funds, \$2.7 billion in State funds, \$6.2 billion in City & County funds, \$1.4 billion in transit fares, and \$0.4 billion in developer funding.

For ORTP 2030 planning purposes, the following assumptions were made:

- Recent trends for Federal highway and transit funds allocated to Hawaii will continue.
- The City and County will obtain \$456 million in federal funds (in 2005 dollars) to assist in the construction costs for the rapid transit system.
- 60% of the State's CIP funds will be spent on Oahu.
- 54% of the federal funds apportioned to the State will be spent on Oahu.

**SUMMARY**

The ORTP 2030 provides a multi-pronged approach to achieve our vision and address our future travel needs. Forecasted congestion is reduced and mobility options increased. Specifically:

- The H-1 travel corridor is identified as our priority corridor.
- A rail transit system that will serve the H-1 travel corridor is a key component of the ORTP 2030.
- Capital projects that serve those who do not or choose not to drive, those who require another access to their community, and those who seek some relief from congestion are planned.
- More than 50% of the plan dedicates funding for system preservation projects and operations and maintenance projects.

Although the ORTP 2030 provides significant improvements over the Baseline 2000, we should still expect more bottlenecks in the future with some improvements in average overall travel time to downtown Honolulu during the morning peak period when compared to 2000.

The ORTP 2030 fulfills the Transportation Services System Goal through developing and maintaining Oahu's islandwide transportation system to ensure efficient, safe, convenient and economical movement of people and goods. The plan increases the capacity of the system, providing an efficient and convenient transit system serving many destinations across the island. The planned projects are distributed across Oahu, supporting economic development and providing funds to support system preservation.

The ORTP 2030 fulfills the Environment and Quality of Life Goal by developing and maintaining Oahu's transportation system in a manner that maintains environmental quality and community cohesiveness. The plan strives to achieve this goal by improving air quality and encouraging energy conservation through the reduction of VMT; and developing alternative modes of transportation that are environmentally friendly – including transit, pedestrian and bicycle routes – while optimizing use of transportation resources and minimizing impacts on cultural and natural resources and disruption of neighborhoods. The plan considers compatibility with the physical and social character of existing development, incorporates transportation system enhancements, and includes improvements that address public safety and emergency planning.

The ORTP 2030 fulfills the Land Use and Transportation Integration System Goal by developing and maintaining Oahu's transportation system in a manner that integrates transportation with the City's land use policies. The plan reinforces planned population distribution and land use development policies, encourages innovation, and encourages implementation of land use policies that support efficient use of transportation systems.



ORTP 2030 PROJECT LIST

Each project in the ORTP 2030 is listed in Table 1 and shown on Figure 16. They are prioritized into a "Mid-Range Plan" to be implemented over the next 10 years; and a "Long-Range Plan" to be implemented over the final 15 years of the plan. Projects were placed within each time period based on anticipated funding and the following guidelines:

- Projects of different categories (e.g., islandwide, congestion relief, second access, transit) are placed in both the mid-range and long-range plans. An exception is the placement of all safety projects into the mid-range plan.
- Projects on the FYs 2004-2006 TIP are placed in the mid-range plan.
- Basic elements of projects in the Ewa/Kapolei area are placed in the mid-range plan.

In addition, each project has been given a City and County of Honolulu ("C") or State of Hawaii ("S") designation. While the ORTP 2030 identifies projects as falling under the jurisdiction of either the City or the State, it is done so for reasons of financial balancing the project revenues with the order-of-magnitude cost estimates. This designation does not preclude an entity other than the City or the State from constructing the roadway partially or in its entirety.





Representative Cabanilla also submitted the following article from the *Small Business News*:

**The Case Against a Honolulu Rail and Against More Taxes on Oahu Residents**  
By HonoluluTraffic.com

**Congestion:** The city forecasts that while we are already 15 percent over capacity on H-1 during the rush hour, we will be 81 percent over capacity in 2030 - with rail.

Planners have had no intention of reducing traffic congestion and never did. They have been conducting a war against the automobile, which is why traffic congestion is so bad now.

**Cost:** The city forecasts (AA, table 5-1) that to build their preferred 28-mile full alignment from Kapolei to UH, it will cost \$4.6 billion. We have calculated that it will actually cost \$6.4 billion - and possibly more. In addition the operating losses will be another \$90 million a year.

**More Taxes:** The mayor originally forecast that it would cost \$2.6 billion to build rail and said he needed a one percent hike in the General Excise tax but the Legislature only authorized a half percent. Now his forecast has nearly doubled to \$4.6 billion (our is even higher). We calculate it will take a 40 percent hike in property taxes to build the full alignment.

**Environment /Blight:** Imagine this elevated rail line snaking through town. It will go along Dillingham cross over to Nimitz, along Nimitz to Halekauwila, up Ward Avenue, along Kona Street, onto Kapiolani Boulevard to University, up University and over H-1 to UH. All the while at 75-77 decibels.

**The Case for HOT lanes and a Tax-Free Alternative**

**Congestion:** We propose a two-lane reversible, elevated highway operated as a High-Occupancy/Toll facility (HOT lanes). Buses/Rapid Transit (BRT) and Vanpools would go free and have priority; all other would pay a toll variable by time of day. The function of the variable toll is to keep the HOT lanes traffic full, but congestion free. When operated this way the throughput of vehicle traffic on one of the HOT lanes will be twice as much per hour as a nearby regular H-1 lane. It means that the two HOT lanes will carry as much as four lanes of the regular H-1 freeway.

**Cost:** The city forecasts a cost for the HOT lanes of \$2.7 billion (AA, table 5-1). However, the almost identical facility in Tampa was built for \$420 million. No engineer we work with has come up with a number greater than \$1 billion - and some much less. We are using \$900 million as our estimate.

**No more taxes:** The federal government will fund half of the cost, or \$450 million. The other half will be funded by revenue bonds to be paid off by toll revenues.

**Environment /Blight:** The elevated toll lanes will run along Kam Highway then along H-1 by the airport, then along Nimitz to finish by Hilo Hattie's. Several entrance/exits will provide access along the way. Unlike the rail alternative, the elevated tollway will not go through town or any residential neighborhoods and be a visual and noise blight.

For more information, log onto <http://www.honolulutraffic.com>  
*Small Business News*  
March 2007

Representative Awana rose in support of the measure and asked that her written remarks, and the remarks of Representative Har entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Awana's written remarks are as follows:

TABLE 1  
OAHU REGIONAL TRANSPORTATION PLAN 2030  
MID-RANGE PLAN AND LONG-RANGE PLAN PROJECT LIST

Project No.	City or State	Facility/Project Title	Project Description	Estimated Cost (Millions of Year 2005 \$)
<b>RIGHT-OF-WAY PRESERVATION</b>				
<b>CONGESTION RELIEF PROJECTS - ROW PRESERVATION</b>				
50	O	Honolulu East-West Spine Road, New Roadway, Kalaheo (Roosevelt to O'ahu Road)	Extend and preserve right of way (ROW) for Kalaheo East-West Spine Road (new 4-lane two-way road) within Kalaheo by realigning and connecting portions of the existing Kalaheo Avenue from Kalaheo Boulevard to the east end to O'ahu Road in the city.	NA
51	O	Honolulu Extension, Extension, Kapolei Parkway to Franklin D. Roosevelt Avenue	Extend and preserve right of way (ROW) for Honolulu Extension (extension of Keolu Boulevard from Kapolei Parkway to Franklin D. Roosevelt Avenue).	NA
<b>OTRP 2030 COST TOTALS: 2006-2030</b>				
<b>Subtotal by Category</b>				
Subtotal: Islandwide Projects				\$587.9
Subtotal: Safety & Operational Improvement Projects				\$204.2
Subtotal: Congestion Relief Projects				\$1,878.2
Subtotal: Second Access Projects				\$489.2
Subtotal: Transit Projects				\$2,784.1
Subtotal: Operations, Maintenance, & System Preservation				\$2,673.9
Total All Project Categories				\$13,536.5
<b>Subtotal by Jurisdiction</b>				
City & County of Honolulu Share of Project Costs *				\$8,176.7
State of Hawaii Share of Project Costs *				\$4,359.8
Total All (Share)				\$13,536.5

Notes:  
\* Costs for projects shared by City and State (CS) allocated equally between the two jurisdictions. The designation is done for so for reasons of financiality balancing the projected revenues with the order of magnitude cost estimates.

TABLE 2  
OTRP 2030 ILLUSTRATIVE PROJECTS


Project No.	Facility/Project Title	Project Description	Estimated Cost (Millions of Year 2005 \$)
<b>CONGESTION RELIEF PROJECTS</b>			
11	H-1 Corridor, Honolulu Highway Waialae Interchange to South Interchange	Construct a new, elevated, reversible two-lane highway from west of the Waialae Interchange to the South Interchange. The new facility could be used for high-occupancy vehicles and a toll could be charged.	\$2,763
12	Kalaheo East-West Spine Road, New Roadway, Kalaheo Boulevard to O'ahu Road	Construct a new 4-lane two-way spine road within Kalaheo by realigning and connecting portions of the existing Kalaheo Avenue from Kalaheo Boulevard to the east end to O'ahu Road in the city.	\$110
13	Honolulu Extension, Extension, Kapolei Parkway to Franklin D. Roosevelt Avenue	Extend Kalaheo Boulevard from Kapolei Parkway to Franklin D. Roosevelt Avenue.	\$80
14	Keolu Street, Extension, Keolu Boulevard to University Street	Extend Keolu Street from east of Keolu Street to the intersection of Keolu Street and University Street.	\$15
15	Paoli Harbor Corridor	Construct an alternative route through the Paoli Harbor corridor to provide direct connection between Honolulu and the Ewa Flats. A new tunnel beneath the mouth of Paoli Harbor and a series of bridges spanning Paoli Harbor are potential options for this route. This project could operate as a HOT facility.	\$2,500
Total with Paoli Harbor Corridor as Tunnel			\$5,773

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Additional copies of this document can be downloaded from [www.OahuMPO.org/otrp](http://www.OahuMPO.org/otrp). For more information, contact:

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"Thank you, Mr. Speaker. I am in support with reservations. Mr. Speaker, I have some major concerns. The existing traffic situation from the Leeward side is already unbearable. Residents from the Waianae Coast spend at least two hours each day commuting to and from work or school. If a toll road is built, the inconvenience from the construction alone will increase an already long commute – hence, decreasing the amount of time those families will be able to spend with each other.

"To add insult to injury, most families will not be able to use the toll road. In most cases, commuters from the Leeward side of the island travel farther which equates to higher fuel costs. The inconvenience of building this toll road should not be at the cost of families who are already struggling to keep their heads above water. Thank you, Mr. Speaker."

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

Representative Berg 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 Berg's written remarks are as follows:

"Mr. Speaker, I have reservations and ask that the words of the Representative from Kapolei be entered as my own."

Representative Ching 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 Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I have reservations, but am in support of H.B. 70 – Relating to Transportation.

"This bill proposes to allow the Department of Transportation to negotiate public-private partnership agreements that would enable a private company to finance the development, design, construction, operation, or maintenance of transportation systems and facilities.

"While I support the need to address the growing concern for a more efficient transportation system, I have reservations.

"I am concerned with the implications of imposing user fees, tolls, fares and similar charges on existing or upgraded facilities. In so doing, we may face increased traffic on our smaller, less safe streets increasing congestion and traffic dangers there."

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

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 3, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," passed Third Reading by a vote of 44 ayes to 4 noes, with Representatives Brower, Chang, Rhoads and Tokioka voting no, and with Representatives Sagum, Takai and Thielen being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1201) recommending that H.B. No. 1792, HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1792, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Belatti rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Belatti's written remarks are as follows:

"Thank you, Mr. Speaker. I am in opposition to H.B. 1792, H.D. 2 – Relating to Drug Abuse. This bill appropriates funds to: (1) review pilot studies being conducted in other states on use of the PROMETA treatment protocol to address the withdrawal cravings of crystal methamphetamine addicts; and (2) develop a plan to adopt the PROMETA treatment protocol as an alternative drug abuse treatment program for persons convicted of substance abuse or related offenses.

"First, as a matter of fiscal responsibility, I think it is inappropriate that we commit State monies to the benefit of a single commercial venture, Hythiam Inc., which licenses the rights to use the PROMETA protocols, and their one licensee that currently operates in this State.

"Second, I am opposed to this bill because of safety and health concerns raised by the Department of Health, the Hawaii Psychiatric Medical Association, and the Hawaii Society of Addiction Medicine. Although the PROMETA medications are FDA-approved, the PROMETA treatment protocol, which consists of nutritional supplements, oral and IV medications used off-label and separately administered, and other psychosocial or recovery-oriented therapy, has not undergone peer-reviewed clinical studies. Clinical studies involving our very own University of Hawaii John A. Burns School of Medicine and the University of California, Los Angeles are set to begin in April 2007.

"I believe it is premature for the Legislature to commit State monies to a drug treatment protocol that has not been fully tested and for which the risks and benefits have not been established. Until there are more careful studies of the PROMETA treatment protocol, it would be more prudent for the Legislature to invest the taxpayers' monies in community-based treatment and prevention programs."

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

"Thank you, Mr. Speaker. I'm rising with wavering support and I would like to submit remarks in the Journal," and the Chair "so ordered."

Representative Meyer's written remarks are as follows:

"Mr. Speaker, I have reservations on House Bill 1792 HD2.

"The Department of Health stated that when they asked the PROMETA Representatives to disclose what type of drugs were used for treatment and the dose amount of each drug in the "PROMETA cocktail", the Representatives for PROMETA refused to release that information to the Department of Health. If we want DOH to provide an accurate study, it seems like they should be able to receive all the information they request. If the PROMETA representatives are going to hamper the study by not providing all the necessary information, then the study may be flawed and inaccurate.

"Although the medications administered under PROMETA are FDA-approved, their combination application in treatment of alcohol, cocaine, and methamphetamine dependence have not yet been established.

"I have strong reservations to use public funding to administer a study limited to one treatment protocol when the meth problem in Hawaii is such a large problem."

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

Representative Cabanilla's written remarks are as follows:

"Mr. Speaker, on behalf of my constituents, I am in strong support of HB1792 HD2. The problems of drug abuse, related crime and family violence in our communities are too well known. Every day brings a headline with a tragic event tied to drug abuse, among the most disturbing, violence upon children.

"For a long time, we've been searching for good news in this battle against drugs. Now there's news that Prometa is the answer we've been seeking. HB 1792, HD 2 asks us only to look at the results and do what's logical. This treatment is getting unheard-of results in trials and pilot programs in the very Drug Court settings under discussion. In Indiana and Washington State, the results were so good, they were hard to believe. They were hoping that Prometa would increase their results from 50% success to 70%. When they increased it to 90%, they were stunned and elated, and have dedicated themselves to getting the word out about Prometa. Let's embrace the hope that this news brings. Let's be cautious, let's be judicious, but let's also be undaunted in our pursuit of a better path for our citizens in trouble.

"In medicine, it's "First, Do No Harm." The drugs in Prometa are safe. I know this because I have administered them myself on more than one occasion. In my opinion, the medication in a new way does not create any new safety issues. The use of these drugs has a long and well-established track record, with no contra-indications with their sequential administration, minimal side effects, and no reported adverse effects with Prometa. If a one-year-old pediatric surgery patient were to have an adverse reaction to anesthesia during surgery, they will most likely treat them with the primary medication in Prometa, the core of the protocol. If it's safe enough for our *keiki*, then perhaps it's safe enough for the drug addicts in our communities.

"The anti-revolutionary forces are at work against this new treatment. Why is this? Is it to protect us? Or is it to protect their own perceived interests? The CEO from Kahi Mohala testified at the Health Committee hearing that "they're in" as the newest Prometa licensee. Privately he said that it was a "no brainer," minimal risk with huge upside potential. Blue Cross and Blue Shield entities across the country are conducting pilots with Prometa. When have we ever heard of Managed Care coming early to look at innovative treatments? Rarely. But they are with this one. Why? Because the very Parity Laws we passed in this legislature have brought home the economic impact of substance abuse treatment and encouraged them to seek a better way. If they're looking at Prometa for their thousands of insured lives, shouldn't we be just as motivated to look at it for our under-insured and under-served citizens where the problem is worse? My colleagues, may I suggest we should be more motivated.

"Eventually the entire treatment community will embrace this new treatment. In the meantime, let us show them a better way. And let us do what our constituents have elected us to do. Let's carefully consider the outcomes of this new most promising treatment. And let's give ourselves a chance to lead our constituents out of this valley of darkness."

Representative Ward rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ward's written remarks are as follows:

"Mr. Speaker, I am in support of House Bill 1792 House Draft 2. This bill is worth the chance to help the people of Hawaii. We must do something to stop Hawaii's meth problem. In 2006, there were 52 meth-related fatalities. In 2005, there were 87 meth-related fatalities.

"The results that have been reported from reputable treatment centers around the country from trials with the PROMETA treatment regime have been very impressive. The Pierce County Alliance Drug Court in Tacoma, Washington has experienced remarkable success with their pilot program. They have a 98% success rate in drug

screening test. Only 25 out of 1,180 drug screens came back positive for illegal narcotics at the 3-month, 6-month, and 10-month marks of the program using PROMETA.

For those reasons, and the promise this bill provides, I stand in support of House Bill 1792, House Draft 2."

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

Representative Awana's written remarks are as follows:

"Thank you, Mr. Speaker. I am in support. According to the United States Drug Enforcement Agency, methamphetamine is the drug of choice in Hawaii. The widespread use of crystal methamphetamine in Hawaii has had a devastating impact on our economy and family structure. In addition, the drug's presence has increased street violence and property crimes.

"Studies have reflected a high recidivism rate for crystal meth addicts. Testimony stated that the recidivism rate of those who were treated with PROMETA is relatively low. I believe the review of PROMETA will provide drug abusers the overdue help that is needed to combat this addiction. Thank you, Mr. Speaker."

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

Representative Manahan's written remarks are as follows:

"The problem is not the lack of effective treatments, but supporting the programs we already have, as well as augmenting these with intensive therapy. This measure further thins the monies devoted to drug programs already in progress. The money would be better spent on programs that alleviate the social concerns, situations, and opportunities that cause people to use.

"Any rehabilitation professional will tell you that in any treatment paradigm the most important component of the treatment is the compliance and will of the client. We don't need a review of pilot studies. The studies will publish their findings if the treatment is effective, it will be evident. Departments can decide whether the protocol should be established without being bullied by the Legislature.

"There is no "magic bullet" cure for Crystal Methamphetamine use. If there was we wouldn't have an 'ice' problem. PROMETA touts itself as a cure, but if it cannot prove itself more effective than other pilots with similar funding and treatment intensity, it is just another special interest bill."

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

Representative Finnegan's written remarks are as follows:

"Mr. Speaker, I am in support of this measure. This bill requires DOH and the Chairs of the Health Committees in the Senate and House to conduct a review of the pilot studies being conducted in other states on the use of the PROMETA treatment protocol to address the withdrawal cravings of crystal methamphetamine addicts and to determine whether the PROMETA treatment protocol is successful in that it provides at least 30% reduction in recidivism rates for crystal methamphetamine users in the 12 months following treatment.

"Over the years I learned a lot about "ice". This addiction is a vicious and deadly one. In some cases, a simple misjudgment of trying this substance once can trigger the brain into an instant state of addiction. This PROMETA protocol is a tool that can help the body

adjust the brain's decision to quit using ice. The controversy is mainly about the PROMETA protocol not being FDA approved although all of the medications are individually FDA approved.

"This devastating drug and its hold on individuals has ruined lives, families, and communities. This bill asks for the review of other states trials. There are no silver bullets; however I see this as a possible way to get ice addicts back into living productive lives. The studies done show good results. I believe it is in the state's best interest to give it a try."

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

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

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

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

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

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

"I am in strong support."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1792, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DRUG ABUSE," passed Third Reading by a vote of 45 ayes to 3 noes, with Representatives Belatti, Berg and Hanohano voting no, and with Representatives Sagum, Takai and Thielen being excused.

At 7:34 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 88, HD 2	H.B. No. 16, HD 1
H.B. No. 661, HD 1	H.B. No. 70, HD 3
H.B. No. 1848, HD 2	H.B. No. 1792, HD 2

At 7:34 o'clock p.m., the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 7:47 o'clock p.m. with Speaker Say.

### THIRD READING

#### H.B. No. 1919, HD 1:

Representative Caldwell moved that H.B. No. 1919, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Meyer 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 Meyer's written remarks are as follows:

"Mr. Speaker, I'm in support of House Bill 1919 with some reservations.

"Portland, Oregon, developed many condominium and townhouse developments using smart growth principles. These principles tend to dictate social behavior to the inhabitants of geographically areas.

"An example of this would be creating walkable neighborhoods, which translates to keeping the garages out of sight and local roads sparse and situated a good distance away from the house, forcing people to do more walking than they care to.

"These smart growth principles steer people to public transit and imply that public transit is preferable to using private automobiles. Some will agree with this, but many will not. I don't think that smart growth principles should be part of the Land Use Commission law."

Representative McKelvey rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative McKelvey's written remarks are as follows:

"Mr. Speaker I would like to note my support of this important measure. This bill would seek to put into law some long overdue statutory guidelines for the State Land Use Commission or LUC so that when they are reviewing projects they would have to apply what is known as 'Smart Growth' principles to the project and most importantly, force the LUC to look at whether or not the proper infrastructure is in place or will come on line before the project is built out as a condition to LUC giving the proper land use changes for a project to proceed.

"Right now I can honestly say that the LUC has, at least as far as Maui is concerned, never met a development project they didn't like. The reality is that the LUC is made up of those who either support or are active players in the pro-development community and they have abused the fact that there are no statutory rules in place to actually thumb their noses at the community and rule as they wish. This isn't just assumptions or politics as I have witnessed this myself.

"A few years ago a major project was proposed for West Maui and the LUC came to Lahaina for the hearing. Testifier after testifier came before the Commission and urged the Commission to add conditions so that infrastructure would be required of the project. The end result after all that testimony is that the LUC members came out and approved the land use changes with no conditions. If the LUC doesn't have the spine to do what's right for our communities, then it is up to this body to ensure that this powerful Commission with no oversight or accountability to the people be forced to ensure that the principals of smart growth – of infrastructure first, of preserving open space and ensuring that quality of life is first and foremost when these monumental decisions are made."

The motion was put to vote by the Chair and carried, and H.B. No. 1919, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE LAND USE COMMISSION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Takai and Thielen being excused.

#### H.B. No. 516, HD 1:

Representative Caldwell moved that H.B. No. 516, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Evans 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 Evans' written remarks are as follows:

"I support efforts to protect our community from sexual offenders. However, HB No. 516, H.D. 1 does not include appropriations or, at a minimum, language asking for a report to the Legislature on the increase of financial and personnel costs to the Judicial Branch and Executive Branch.

"This law will have an impact. Regardless of the economy our laws guide judges in the sentencing of offenders. Getting tougher on crime has consequences on our budget, and I believe it is important

that the public, the Legislative Branch, the Judicial Branch, and the Executive Branch understand the fiscal implications of this law which amends the Penal Code."

The motion was put to vote by the Chair and carried, and H.B. No. 516, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SEXUAL OFFENDERS," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Bertram voting no, and Representatives Nakasone, Takai and Thielen being excused.

**H.B. No. 303, HD 1:**

Representative Caldwell moved that H.B. No. 303, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Evans 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 Evans' written remarks are as follows:

"I support the deterrence of mail theft. However, I vote yes, with reservations, because HB No. 303, H.D. 1, does not include appropriations or, at a minimum, language asking for a report to the Legislature on the increase of financial and personnel costs to the state's correctional facilities and the Judicial Branch.

"This law will have an impact. Regardless of the economy our laws guide judges in the sentencing of offenders. Getting tougher on crime has consequences on our budget, and I believe it is important that the public, the Legislative Branch, the Judicial Branch, and the Executive Branch get the fiscal implications of this law which amends the Penal Code."

The motion was put to vote by the Chair and carried, and H.B. No. 303, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THEFT," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Bertram voting no, and Representatives Nakasone, Takai and Thielen being excused.

**H.B. No. 1132, HD 1:**

Representative Caldwell moved that H.B. No. 1132, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, in opposition. Thank you, Mr. Speaker. In regards to Election Day poll watchers, the only thing that I would like to just give short comments in opposition, because what I'd like to see is just making it, right now, make it more difficult for poll watchers with that earlier date. So I think we should just do things to encourage them more."

The motion was put to vote by the Chair and carried, and H.B. No. 1132, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTION DAY POLL WATCHERS," passed Third Reading by a vote of 44 ayes to 4 noes, with Representatives Ching, Finnegan, Marumoto and Meyer voting no, and with Representatives Nakasone, Takai and Thielen being excused.

**H.B. No. 583, HD 1:**

Representative Caldwell moved that H.B. No. 583, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Evans 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 Evans' written remarks are as follows:

"I support the intent to extend the statute of limitations. However, HB No. 583 does not include appropriations or, at a minimum, language asking for a report to the Legislature on the increase of financial and personnel costs to the State's correctional facilities and the Judicial Branch.

"This law will have an impact. Regardless of the economy our laws guide judges in the sentencing of offenders. Getting tougher on crime has consequences on our budget, and I believe it is important that the public, the Legislative Branch, the Judicial Branch, and the Executive Branch get the fiscal implications of this law which amends the Penal Code."

The motion was put to vote by the Chair and carried, and H.B. No. 583, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TIME LIMITATIONS," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Bertram voting no, and Representatives Nakasone, Takai and Thielen being excused.

At 7:51 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1919, HD 1  
H.B. No. 516, HD 1  
H.B. No. 303, HD 1  
H.B. No. 1132, HD 1  
H.B. No. 583, HD 1

**H.B. No. 1149, HD 1:**

Representative Caldwell moved that H.B. No. 1149, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Evans 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 Evans' written remarks are as follows:

"I support the protection of children from exposure to drugs. However, I vote yes, with reservations, because HB No. 1149, H.D. 1, does not include appropriations or, at a minimum, language asking for a report to the Legislature on the increase of financial and personnel costs to the State's correctional facilities and the Judicial Branch.

"This law will have an impact. Regardless of the economy our laws guide judges in the sentencing of offenders. Getting tougher on crime has consequences on our budget, and I believe it is important that the public, the Legislative Branch, the Judicial Branch, and the Executive Branch get the fiscal implications of this law which amends the Penal Code."

The motion was put to vote by the Chair and carried, and H.B. No. 1149, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DRUGS," passed Third Reading by a vote of 48 ayes to 1 no, with Representative Bertram voting no, and Representatives Takai and Thielen being excused.

**H.B. No. 1836, HD 1:**

Representative Caldwell moved that H.B. No. 1836, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Ching's written remarks are as follows:



"Thank you, Mr. Speaker. I am in support of House Bill 1836 – Relating to Gambling. Mr. Speaker, the Legislature has fought gambling for the last ten years.

"Companies have found a loophole in our current laws banning gambling and have placed vending machines all over the Honolulu in which they have circumvented the gambling laws here by using the guise of long distance cards. In these vending machines they sell sweepstakes cards, usually for a dollar, very similarly to how lottery tickets are sold. When you purchase this card you are given two minutes of long distance phone time.

"It is very clear that the long distance call time is only offered to get around Hawaii's anti-gambling laws, as two minutes of long distance time to the US mainland does not run anywhere near a dollar and in today's market long distance can be free on your cell phone, cost a few cents with a calling card, or you can get unlimited long distance for a nominal charge. The sole purpose of purchasing these cards is to have a chance at winning the sweepstakes, usually a cash prize worth hundreds of times more than the cost of a single game piece itself.

"HPD has found that many people buy these calling cards in large quantities, often disposing of the card without ever using the long distance time available on the card. HPD has also found that a lot of these cards do not work, even when activated.

"This bill defines in very clear terms the properties of sweepstakes machines that are currently in place in Honolulu locations. This bill makes it known that gambling includes the purchase of a sweepstakes entry that also provides a nominal, non gambling value even if the sweepstakes entry can be obtained without payment of consideration. By passing this legislation it will make it possible to ban these machines and avoid any possible escalation of further gambling of this nature in our State.

"Thank you, Mr. Speaker."

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

"In opposition and just real quickly, a brief comment. This is just a little overboard."

The motion was put to vote by the Chair and carried, and H.B. No. 1836, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GAMBLING," passed Third Reading by a vote of 47 ayes to 2 noes, with Representatives Carroll and McKelvey voting no, and Representatives Takai and Thielen being excused.

#### **H.B. No. 909, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 909, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONFLICTS OF INTEREST," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

#### **H.B. No. 1786, HD 1:**

Representative Caldwell moved that H.B. No. 1786, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Ward rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ward's written remarks are as follows:

"Mr. Speaker, I am in support of House Bill 1786 House Draft 1, Relating to the Bridge to Hope Program.

"The Bridge to Hope program represents a positive step in providing assistance to low-income adults who wish to pursue post-secondary education. Through collaboration between the Department of Human Services and the University system, Bridge to Hope provides three major benefits to low-income adults.

"First, this program not only satisfies TANF work requirements, but also combines work with learning, by providing students with assistantships linked to their area of study.

"Second, combining work with education gives students with children more time for family obligations.

"Third, this program allows the Hawaii Department of Human Services and the University of Hawaii System to better understand each other's services, operations, rules, and constraints. This increased understanding will likely result in better coordination and more effective efforts to combat poverty in Hawaii.

"This bill provides a stable program of student service through Bridge to Hope for a marginal yet growing population of low-income student parents. Nationally, nearly 17% of college students are parents and UH reflects this national trend towards older, employed "non-traditional" students.

"For these and other reasons, I am in support of HB 1786 House Draft 1."

The motion was put to vote by the Chair and carried, and H.B. No. 1786, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

#### **H.B. No. 330, HD 1:**

Representative Caldwell moved that H.B. No. 330, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, in opposition. I rise in opposition to House Bill 330, HD 1, Relating to Prostitution. I do not support imposing harsher penalties on one class of our community who are prostituted. I challenge this body to take bold action and adopt a new policy framework toward this issue and not support this bill.

"Prostitution, which encompasses the trafficking of human beings for sexual purposes, will never be eliminated unless our community takes a vigorous stand and puts in place concrete measures to stop the recruitment, transport, sale or purchase of human beings by traffickers, pimps, members of organized crime groups and prostitution buyers.

"In lieu of this bill, I believe we should adopt policies to further work toward prevention and suppression of prostitution by embracing measures to counteract the demand that furthers all forms of sexual exploitation of human beings and more important, embrace measures that protect and assist those who are vulnerable to being exploited. For example, on a structural level, we need a campaign impacting political, social and economic conditions to reduce poverty and sustain development.

"My hope is that this body will embrace a new policy where prostituted women and children are seen as victims of violence and oppression. One of the cornerstones should be a focus on the root cause. The recognition that without demand for and use of women, boys and girls for sexual exploitation, the global prostitution industry would not be able to flourish and expand. My hope is that this body understands the vulnerability of a class of human beings who are prostituted and address issues of poverty, unemployment,

discriminatory labor practices, gender inequalities and of violence against women and children.

"My hope is our community will assist those who want to escape prostitution. This new policy could be called universal protection of human dignity. Thank you."

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

"Yes, Mr. Speaker. I wish to speak against this measure and I would like to incorporate the remarks from the Representative from Waikaloa for the good speech that she's made. Thank you very much," and the Chair "so ordered." (By reference only.)

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

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

Representative Cabanilla rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

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

"Thank you, Mr. Speaker. In strong reservations and also would like to adopt the words of the speaker from Waimea as my own," and the Chair "so ordered." (By reference only.)

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

"Mr. Speaker, I rise in support. First of all, the bill applies both to customers and prostitutes, and in that sense it's not aimed at prostitutes in particular. It's aimed at everyone who's involved in the trade.

"Currently, the situation is there's the sense that somehow we've already tried criminalizing prostitution and the fact is, in my neighborhood at least, for all intents and purposes, prostitution's not criminalized. It's already been decriminalized. And my neighborhood is the neighborhood that's been chosen as the one where prostitution is allowed without any restraint. The Prosecutor's Office told me that judges fairly routinely won't even let 'John' defendants state their name in court before they dismiss the charges because they don't want to embarrass them by having a prostitution charge brought against them.

"So right now, my neighbors and I live in a 'free-fire' zone when it comes to prostitution and I support many of the things that the Chair of Public Safety mentioned. I do believe in many respects, it is a crime against women and that's why I support the 'No Trafficking' bill which is very important too.

"I think that evidence indicates that even where prostitution has been legalized, crime elements and human trafficking have been prevalent because a legal brothel still has to provide women. Well, on Kukui Street it's not necessarily women, but women or men to work in a brothel. So I'm not sure that decriminalization is any better. Well, it's exactly the same as what we have now and what we have now doesn't work very well. So I hope that my colleagues will take pity on the residents of Kukui Street and support this measure. Mahalo."

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

"In opposition. Just real quickly. You know, with all due respect to the previous speaker, there are criminal laws on the books right now and if they police aren't enforcing it, the judges aren't enforcing it, then how is increasing the penalties actually going to get them to enforce it?"

"I hope the Members of this body would look at the fact that the problem is enforcement. You look at the comments, they revolve around assault and drug dealings which are also criminalized actions. So, you know, I think that the reality is that there are laws in the books that aren't being enforced. Increasing laws in the books will not lead to necessarily more enforcement."

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

"Mr. Speaker, I'm standing up with very, very strong reservations. I'm going to be a little 'social worky', since many of you forget I'm a social worker. But I've worked with adolescents that have actually had to perform, or be a part of 'survival sex' or actually getting involved with the sex industry to survive or to get money, Mr. Speaker.

"One of the things that was mentioned by the Representative from Downtown about criminalization or decriminalizing this type of behavior. The biggest fact that has been missed is that these people need treatment. They need help. They need support, Mr. Speaker. These bills, by throwing them in jail, will only increase the amount of people we have to put away. This bill does not address the issue of getting them resources. They are victims. They're going to be re-victimized by placing them in jail, making their ability to recover and become productive citizens even more difficult, Mr. Speaker.

"I think this is a wrong tactic to do, and again we are oppressing the ones who are the victims and not addressing the true issue which is the problem of getting these people the support, that need the training, the social opportunities to get out of the industry."

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

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

"I rise with reservations and I have written comments. I would also just like to say that I'm strongly opposed to the criminalization of prostitution, but I don't think that prostitution should be legalized. I think we have to remember just who is the victim. If you look at our anti-trafficking bill I think that that will go a long way with identifying victims and helping them."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I have reservations on HB330. I am not a proponent of legalized prostitution; however, we need to remember just who is the victim here. I would like to quote from the article recently written by Melissa Farly in the *Honolulu Weekly*. She said:

Wherever prostitution thrives, so does sex trafficking. If you were a pimp, where would you market your product? Someplace like Sweden, where there's a law against buying or selling people for sex? Or would you pimp women to countries that lay out a legal welcome mat: the Netherlands, Germany, Australia and wherever prostitution is legal? Sweden has an excellent prostitution law in which buyers and sellers of women are criminalized but prostituted people are not. Trafficking has plummeted in Sweden since the law was passed.

We need a law that protects victims while it also effectively targets predators. Pimps and sex traffickers are not the only sex predators: Johns are predators, too.

"I am afraid that this law would be mostly applied to the female prostitute who, in many ways, is the tragic victim of greed and violence. Thank you."

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

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

"Thank you, Mr. Speaker. In strong support and I ask that the words of the Representative of Chinatown, my neighbor, be incorporated as my own. I feel your pain. I'm just *mauka* of Chinatown in Liliha, and as Hawaii Theater's getting cleaned up and Chinatown's cleaning up with more revitalizing, First Friday's a hit, and all that. What we've found in Liliha is a lot of the prostitutes are coming *mauka* to us. And so then my residents ask, 'How come I can't get them off the streets? What's going on?' It has a lot to do with what the Representative from Downtown is talking about. And so I understand that it's not mutually exclusive to do prevention.

"We have a lot programs now to do prevention, to do all that. It's a comprehensive approach. But the truth is, I guess my philosophy is, if you give them some responsibility and some control over your destiny. How many of us have had a hard life? We would not even dare to assume that anyone here has not had a hard life, maybe not as hard as some of those people, but we all make choices and I don't want my children around drug addicts who are coming down the streets of Liliha. Thank you."

Representative Rhoads rose to respond, stating:

"Still in support. Just to rebut some of the things that were said before. With regard to increasing the penalty, right now the penalty is theoretically a petty misdemeanor, which is a maximum sentence of one month. If we do give a higher penalty for prostitution, for the 'Johns' or for prostitutes, I think it does send a signal to the Judiciary that we are more serious about this and I think it's much less likely that they're going to let people go scot free.

"With regard to getting prostitutes out of the trade, if there's no consequence to doing what they're doing, I think they're more likely to stay in the trade than if they know that there's a possibility that they're going to end up in prison for a long period of time if, after the third offense, this doesn't apply until the third offense, that they know that there's real consequences there. Their life as normal can't keep going on like this if they keep on their present course. Thank you very much."

The motion was put to vote by the Chair and carried, and H.B. No. 330, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROSTITUTION," passed Third Reading by a vote of 41 ayes to 8 noes, with Representatives Belatti, Bertram, Cabanilla, Evans, McKelvey, Sagum, Sonson and Souki voting no, and with Representatives Takai and Thielen being excused.

#### **H.B. No. 451, HD 1:**

Representative Caldwell moved that H.B. No. 451, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Evans 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 Evans' written remarks are as follows:

"I support efforts to address the growing problem of graffiti. However, HB No. 451 does not include appropriations or, at a minimum, language asking for a report to the Legislature on the increase of financial and personnel costs to the Judicial Branch.

"This law will have an impact. Regardless of the economy our laws guide judges in the sentencing of offenders. Getting tougher on crime has consequences on our budget, and I believe it is important that the public, the Legislative Branch, the Judicial Branch, and the Executive Branch get the fiscal implications of this law which amends the Penal Code.

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

Representative Finnegan's written remarks are as follows:

"Mr. Speaker, I am in support of this measure. This bill establishes within the Judiciary the graffiti eradication sentencing program. It is extremely difficult to catch a person in the act of painting graffiti. These taggers hit an area in a matter of minutes, sometimes seconds."

The motion was put to vote by the Chair and carried, and H.B. No. 451, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GRAFFITI," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

At 8:05 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1149, HD 1  
H.B. No. 1836, HD 1  
H.B. No. 909, HD 1  
H.B. No. 1786, HD 1  
H.B. No. 330, HD 1  
H.B. No. 451, HD 1

#### **H.B. No. 1246, HD 1:**

Representative Caldwell moved that H.B. No. 1246, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Evans 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 Evans' written remarks are as follows:

"I support deterrence of theft of copper. However, HB No. 1246 does not include appropriations or, at a minimum, language asking for a report to the Legislature on the increase of financial and personnel costs to the State's correctional facilities and the Judicial Branch.

This law will have an impact. Regardless of the economy our laws guide judges in the sentencing of offenders. Getting tougher on crime has consequence on our budget, and I believe it is important that the public, the Legislative Branch, the Judicial Branch, and the Executive Branch get the fiscal implications of this law which amends the Penal Code."

The motion was put to vote by the Chair and carried, and H.B. No. 1246, HD 1, entitled: "A BILL FOR AN ACT RELATING TO METAL," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

#### **H.B. No. 304, HD 1:**

Representative Caldwell moved that H.B. No. 304, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Just in opposition. This is one of the 109 bills that have been introduced by this Legislature to limit the Governor's authority, an

authority that's been given to every Governor previous to this Republican Governor. And that's my opposition."

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

"Mr. Speaker, I rise in support. And just to counter the statements of the prior speaker, I think what happens is sometimes when we see an abuse of power or a lack of discretion with the use of authority, then that's when the Legislature decides to enact. And I think this a perfect example of a time when we saw that authority actually squandered. We saw an appointment that, I think mostly everyone can agree wasn't really proper. Even she agreed because she asked for her resignation subsequently."

The motion was put to vote by the Chair and carried, and H.B. No. 304, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LEGISLATIVE VACANCIES," passed Third Reading by a vote of 42 ayes to 7 noes, with Representatives Ching, Finnegan, Green, Marumoto, Meyer, Pine and Ward voting no, and with Representatives Takai and Thielen being excused.

**H.B. No. 747, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 747, HD 1, entitled: "A BILL FOR AN ACT RELATING TO JURY SERVICE," passed Third Reading by a vote of 48 ayes to 1 no, with Representative Evans voting no, and Representatives Takai and Thielen being excused.

**H.B. No. 1234, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1234, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TESTIMONY," passed Third Reading by a vote of 41 ayes to 8 noes, with Representatives Belatti, Berg, Luke, McKelvey, Morita, Nishimoto, Shimabukuro and Takamine voting no, and with Representatives Takai and Thielen being excused.

**H.B. No. 676, HD 1:**

Representative Caldwell moved that H.B. No. 676, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Evans 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 Evans' written remarks are as follows:

"I support the intent to protect animals and deter animal abuse. However, HB No. 676 does not include appropriations or, at a minimum, language asking for a report to the Legislature on the increase of financial and personnel costs to the State's correctional facilities and the Executive Branch.

"This law will have an impact. Regardless of the economy our laws guide judges in the sentencing of offenders. Getting tougher on crime has consequences on our budget, and I believe it is important that the public, the Legislative Branch, the Executive Branch, and the Executive Branch get the fiscal implications of this law which amends the Penal Code."

Representative Meyer 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 H.B. No. 676, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ANIMALS," passed Third Reading by a vote of 45 ayes to 4 noes, with Representatives Cabanilla, Herkes, Sagum and Sonson voting no, and with Representatives Takai and Thielen being excused.

**H.B. No. 91, HD 1:**

Representative Caldwell moved that H.B. No. 91, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Shimabukuro rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Shimabukuro's written remarks are as follows:

"In opposition. The reasons to oppose the first part of this bill are:

It will limit the number of persons who are able to obtain the certificate to only those few CPAs that work for "public" accounting firms. Public accounting firms are those that do auditing. This type of auditing is mainly for customers, i.e., client companies, that have the need for audited financial statements;

It will raise the prices that CPAs charge, because it effectively limits the number of people being able to enter the profession;

It limits the work experience that one can use in obtaining the C.P.A. certificate. Specifically, it removes private, governmental, field audit, and upper division or graduate level accounting experience, and only leaves the public accounting experience. Government CPAs do audits of large corporations. A certificate is not required, but this bill will discourage government employees from having goals of obtaining the certificate, and thus not attend relevant courses.

"The CPA certificate demonstrates that the holder has a certain level of knowledge and expertise. It opens the doors to many types of job opportunities in a job shortage area.

"This bill is over-reacting to the recent public accounting frauds. In fact the Security Exchange Commission is seeking to reduce the management opinions required for disclosure.

"This bill affects government CPAs' working and staffing benefits. They will need to work elsewhere to obtain the qualified working experience if this bill passes. Government already has a hard enough time competing to attract and retain CPAs to do critical work. Please oppose this bill."

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

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

I guess I'll be voting in opposition to this bill. There are provisions in this bill that would no longer accept a college person that's trying to get certain internships or qualifications in a government entity, like the Department of Taxation. So really, it only allows these types of, I guess we're trying to get certain degrees and certain provisions of what we're trying to accomplish.

"Basically what this bill does, it allows free interns for big business, but does not allow interns for government when they're trying to get a degree in accountancy."

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

"Thank you. In opposition and request to put written comments in the Journal. I did want to make one notation that the Society of CPAs was against it."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I oppose H.B. 91 – Relating to Public Accountancy. Under current law, an applicant for a CPA license must complete two years of experience, either by working for a CPA firm or by doing comparable accounting work in government or private industry under the guidance of a licensed CPA. This bill would change the law to provide that only experience working for a CPA firm can count toward the two-year requirement for licensing. Comparable experience in government or industry would not be considered.

"There are no records of any complaints within the parameter of existing law that shows that unqualified candidates are being granted licensure. Depending on the type of work and the quality of supervision, an applicant coming from a government or industry job may be as qualified or better than an applicant coming from a CPA firm. What is important here is not the type of firm one works in, but the actual work experience gained by working under the supervision of a CPA so that one learns the discipline required to practice in this field. HB 91 would harm Hawaii businesses, consumers, and CPA licensure candidates by closing off excellent vehicles for obtaining the experience required for licensure.

"Moreover, passage of HB 91 would cause Hawaii requirements to differ from national licensing norms. We do not want to limit the opportunities available to our young people. Hawaii licensure candidates should have the same avenues to gain experience and become licensed that are available to candidates in other states."

The motion was put to vote by the Chair and carried, and H.B. No. 91, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ACCOUNTANCY," passed Third Reading by a vote of 35 ayes to 14 noes, with Representatives Ching, Evans, Finnegan, Ito, Luke, Magaoay, Marumoto, Meyer, Morita, Pine, Shimabukuro, Sonson, Ward and Yamane voting no, and with Representatives Takai and Thielen being excused.

At 8:12 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1246, HD 1  
H.B. No. 304, HD 1  
H.B. No. 747, HD 1  
H.B. No. 1234, HD 1  
H.B. No. 676, HD 1  
H.B. No. 91, HD 1

#### **H.B. No. 257, HD 1:**

Representative Caldwell moved that H.B. No. 257, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, in strong support. Just really short comments. These proposed changes will help protect the true agriculture enterprises, prevent 'fake' farm developments and uphold the constitutional mandate to protect agricultural land. The county must achieve the guidelines of the State land use law when permitting agriculture developments. And I have additional written comments."

Representative Shimabukuro's written remarks are as follows:

"In support. The proposed changes will help protect true agricultural enterprises, prevent "fake" farm developments, and uphold the constitutional mandate to protect agricultural land by clarifying that the county must adhere to the guidelines of the state land use law when permitting agricultural developments. Regrettably, the Constitution and the Legislature's intent to protect agricultural lands have been frustrated. Adoption of the proposed bill would help to better protect agricultural land, natural beauty and natural resources.

"The Hawai'i State Constitution Article 11, Section 3 mandates:

*The State shall conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands.*

"The Land Use Law, HRS Chapter 205, serves to protect agricultural lands. In passing the Land Use Law, the Senate noted:

*The purpose of this bill is to preserve and protect land best suited for cultivation, forestry and other agricultural purposes and to facilitate sound and economical urban development in order to promote the economy and general welfare of the state, and to insure the efficient expenditure of public funds. . . .*

*The state's highly productive agricultural lands are jeopardized by normal economic laws which encourage land owners to place their own particular pieces of land to the most profitable current use for which they can find a market. Long term agricultural leases are expiring annually. Because of the pressure for urbanization the land owners are reluctant to continue long term renewals of such leases, and the lessee is therefore discouraged to develop the land to its maximum agricultural production. If exclusive agricultural zones are not established to preserve and protect prime agricultural lands from infringement by non-agricultural uses, the possibility of land speculation through inflated or artificial land prices may jeopardize the existence of major agricultural companies or activities. The most effective protection of prime agricultural lands, preservation of open space and direction of for urban growth, is through state zoning.*

S. Stand.Comm.Rep. No.937, 1961 Senate Journal 883.

"The Land Use Law protects agriculturally designated land for more than agricultural values; it also serves to protect natural beauty and natural resources, to prevent scattered and premature development, to limit land speculation of urban areas. (1961 House Journal 855; 1961 Sess. Laws 299; See also, HRS § 226-104.) As the Hawai'i Supreme Court recently noted:

*In sum, the overarching purpose of the state land use law is to "protect and conserve" natural resources and foster "intelligent," "effective," and "orderly" land allocation and development. See 1961 Haw. Sess. L. Act 187 § 1 at 299 ("[I]n order to preserve, protect and encourage the development of lands in the State for those uses to which they are best suited for the public welfare . . . , the power to zone should be exercised by the State.") See also Pearl Ridge Estates Community Ass'n v. Lear Siegler, Inc., 65 Haw. 133, 144 n.9, 648 P.2d 702, 709 n.9 (Nakamura, J., concurring)("Thus, conservation lands must be reserved if practicable, agricultural lands should be protected, and urban lands should be developed in orderly fashion.") Curtis v. Board of Appeals, County of Hawai'i, 90 Haw. 384, 396 (1999), 978 P. 2d 822, 834.*

"The Hawai'i Supreme Court has long observed that the emphasis of the Land Use Law is on controlling growth and protecting resources:

*By enacting HRS ch. 205 in 1961, the legislature intended, inter alia, to "[s]tage the allocation of land for development in an orderly plan," H.Stand.Comm.Rep. No. 395, 1<sup>st</sup> Haw.Leg., 2d Sess., reprinted House Journal 855-56, and to redress the problem of "inadequate controls [which] have caused many of Hawaii's limited and valuable lands to be used for purposes that may have a short-term gain to a few but result in long-term loss to the income and growth potential of our economy. Act 187, 1961 Haw.Sess. Laws 299. Neighborhood Board v. State Land Use Commission, 64 Haw. 265, 272-3, 639 P.2d 1097 (1982).*

"In passing the Land Use Law, the Senate noted:

*The purpose of this bill is to preserve and protect land best suited for cultivation, forestry and other agricultural purposes and to facilitate sound and economical urban development in order to promote the economy and general welfare of the state, and to insure the efficient expenditure of public funds. . . .*

*The state must protect its valuable land resources. There is a special need to protect agricultural land from urban encroachment, to prevent scattered and premature development, to limit land speculation of urban areas, and to protect the unique natural assets of the state. . . .*

*The most effective protection of prime agricultural lands, preservation of open space and direction of for urban growth, is through state zoning.*

S. Stand.Comm.Rep. No.937, 1961 Senate Journal 883.

"HRS Chapter 205 was enacted in an effort to manage growth on islands of limited resources:

*Scattered subdivisions with expensive, yet reduced public services; the shifting of prime agricultural lands into non-revenue producing residential uses when other lands are available that could serve adequately urban needs . . . these are evidences of the need for public concern and action.*

Act 187, 1961 Haw Sess. Laws 299.

"Despite the statutory objectives and constitutional obligations, the State Legislature, the courts, the Land Use Commission itself and even developer representatives have recognized numerous attempts to circumvent the law.

"The State Legislature long ago noted that the requirements of the Land Use Law had been skirted. That is why, in 1976 the Legislature amended the Land Use Law to clarify that urban type residential subdivisions are not authorized on agricultural land.

*The purpose of the agricultural district classification is to control the uses of the land for agricultural purposes. This purpose is being frustrated by the development of urban type residential communities in the guise of agricultural subdivisions. To discourage abuse of this purpose, the bill, as amended, more clearly defines the uses permitted within the agricultural district. Except for such uses permitted under special use permits in Section 205-6, and for nonconforming uses permitted in Section 205-8, uses not permitted by this bill shall be prohibited.*

S.Stan.Comm. Rep. No. 662-76, 1976 Haw.Leg. Sess., Senate J. 1177; See HRS 205-4.5.

"Similarly, the Intermediate Court of Appeals observed that developers were circumventing the Land Use Law.

*Although the enforcement of the State of Hawaii's land use laws is not before us in this case, we are extremely troubled by WRE's apparent use of the restrictive covenants to privately rezone land that is classified agricultural use and thereby create large estates for the wealthy, who have no intention of maintaining the land for agricultural purposes.*

*Angel Pelosi v. Wailea Ranch Estates*, 10 Haw. App. 424, 431 at fn 3, 876 P.2d 1320 (1994).

"The Land Use Commission itself has witnessed efforts to circumvent the Land Use law. In examining the Crazy Horse development on 10.496 acres of agriculturally classified land in North Kona, the LUC observed:

*36. To date, twenty dwelling units have been constructed within the Property.*

*37. Each of the dwelling units are three-stories in height and consists of four bedrooms, six baths, five dressing room areas, two*

*enclosed lanais, a kitchen area, a dining room, a living room, and a housekeeper room.*

. . .

*39. In response to a subpoena issued by the Commission on August 5, 1994 to Village Realty ("Subpoena-VR"), Village Realty provided a print advertisement caused by Village Realty to be published which states that one bedroom/one bath units with ocean view and cool elevations were available for rental at \$350.00/month. This print advertisement also stated that the offer is limited to available apartments and limited to one person per apartment.*

. . .

*43. The advertisements caused to be published or broadcasted do not indicate that the individual rooms within the dwellings being promoted or marketed as single individual rental units must be connected to any agricultural related use.*

*In re: Godfrey*, DR94-17 at 9 -10 (Dec. 6, 1994).

"More recently, the LUC caught Pacific Star attempting to circumvent the Land Use Law at Keopuka. In the recent LUC Declaratory Order, it was noted:

*14. Developer would have us examine each component of the project, e.g., the single-family residences, the golf course, the large-sized mauka lots, and conclude that because each component as a stand alone development might be permitted, the entire development would also be permitted. We decline to adopt this narrow analytic thesis.*

. . .

*We do not find it credible that houses along the cliff area to be marketed at one to 3 million dollars per lot are part of any true agricultural enterprise.*

*15. . . . We find that the luxury homes as contemplated are not related to agricultural activity and are not farm dwellings as presented.*

*In re: The Sierra Club and David Kimo Frankel*, DR00-23 at 18 - 19 (Oct. 25, 2000).

"These examples are not isolated. Steve Lim, attorney for Pacific Star, and a frequent representative of developers in the land use entitlement business, argued in state court that "projects similar [to the Keopuka Project] have been developed on agricultural land elsewhere in the County of Hawaii and in the State of Hawaii." (Appellant Pacific Star, LLC's Opening Brief, Civil No. 00-1-209K at 8)

*On the island of Hawaii, some of those projects are Waikii Ranch, Kohala Ranch, Maliu Ridge, Puu Lani Ranch, Mahukona, and the agricultural lot projects proposed by Kealakekua Development Corporation and Pace Ranch. On the other islands, similar projects include the Waikapu Mauka project and Alexander & Baldwin's Kula area projects on Maui, the numerous agricultural lots/CPR projects on Kauai, and the proposed Obayashi project on Oahu. Id.*

"When developers circumvent the Land Use Law with urban type residential communities in the guise of agricultural subdivisions, the Land Use Commission is unable to fulfill its constitutional obligations or further the objectives of the Land Use Law. Fake-farm development projects on agricultural lands avoid LUC review of the projects' impacts on native Hawaiian gathering rights, historic sites, burials and constitutionally protected natural resources. Fake-farm developments:

- Undermine the integrity, affordability and productivity of agricultural land;
- Frustrate the ability of government to foster "intelligent," "effective," and "orderly" land allocation, protect open space and prevent scattered premature development; and
- Jeopardize constitutionally protected native Hawaiian rights, natural beauty, and natural resources.

"In regards to assessing whether a project in agricultural or not, the proposed bill has precedent. The assessment language is based on the LUC's declaratory order in the Keopuka case, In re: The Sierra Club and David Kimo Frankel, DR00-23 at 18 (items 13 and 14). The second part is based on the state's Environmental Impact Statement Rules, Hawaii Administrative Rules 11-200-7. And the third is based on the state's procurement code, HRS 103D-305. The rationale is clear:

*[T]here are situations in which an agency is required to consider several related actions in a single EIS. Not to require this would permit dividing a project into multiple "actions," each of which individually has an insignificant environmental impact, but which collectively have a substantial impact.*

Thomas v. Peterson, 753 F.2d 754, 758 (9th Cir. 1985). See also, Kahana Sunset Owners Association v. County of Maui, 86 Haw 66 (1997).

"Given the tendency of developers to avoid rigorous LUC review, it is incumbent on the Legislature to adopt legislation that provides clear guidance on what is unacceptable. Guidance as to what does not constitute an agricultural development will provide more clarity and certainty to developers.

"This measure ensures that 'fake' farming developments do not avoid Land Use Commission review and approval. The LUC would retain its ability to protect cultural sites, native Hawaiian rights, open space, natural beauty, natural resources and the integrity of agricultural land."

The motion was put to vote by the Chair and carried, and H.B. No. 257, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," passed Third Reading by a vote of 48 ayes to 1 no, with Representative Marumoto voting no, and Representatives Takai and Thielen being excused.

#### **H.B. No. 1901, HD 1:**

Representative Caldwell moved that H.B. No. 1901, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Berg rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Berg's written remarks are as follows:

"Mr. Speaker, I am in opposition to HB 1901 HD1. While it contains some desirable elements, it severely weakens our existing land use law and public process for reclassifying agricultural lands. HB 1901 HD1 would facilitate moving tens of thousands of acres (or more) of current agricultural land -- if it's not currently being farmed -- into the rural district.

"Nothing prevents landowners or counties with ostensibly "rural" lands from petitioning to reclassify those lands through the existing public process before the LUC. A streamlined process proposed in HB 1901 HD1 may foster unbridled sprawl as counties can race forward with a 90-day automatic approval, thereby opening up agricultural lands to further development.

"Furthermore, through this measure, there will be an elimination of the existing process for rural reclassification that will significantly curtail the public's involvement in land use decision making: Essentially, with this bill:

- 1) The public will lose its right to question developers and their paid witnesses. Currently, the LUC's contested case proceedings give the public that right. In contrast, there is no such right before the city or county councils.
- 2) The public will lose its right to make a complete and detailed factual presentation with expert witnesses and evidence.

Presentations before the county councils are usually restricted to three minute speeches.

- 3) The public will lose its right to challenge decisions which are inappropriate or contrary to the law. Over the years, the LUC has made several poor decisions, but because the LUC's procedures allow citizens to seek redress in the courts, citizens have been able to reverse these decisions. For example, Judge Michael Town, then a private citizen, successfully challenged the proposed development of agricultural land on Maui. Wai'anae residents blocked a 103 acre amusement park at Kahe Point. Miloli'i residents stopped the Hawaiian Riviera Resort along the Ka'u coast. Central O'ahu residents stopped a 5000+ home subdivision on mostly prime agricultural land. In these cases, the courts agreed with citizens that development approvals were inappropriately granted. In contrast, HB 1901, HD1 allows no such redress. It only states that parties "shall further be allowed at least fifteen days following the final public hearing to file with the Commission a written protest or other comments or recommendations."

"In addition, HB 1901 HD1 relies on outdated soil classifications for designation of the agricultural and rural districts.

"Finally, what this measure seems to overlook is the sprawl-preventing aspects of our state land use law. The founders of Hawaii's land use law were the first in the nation to establish de facto "urban growth boundaries" and use comprehensive zoning as a way to keep unbridled development in check statewide. Our current law helps to prevent costly "urbanization" of lands far from existing urban areas where additional development is more efficient. In other words, when agriculturally designated lands restrict urban uses outside of the urban core (i.e., by prohibiting "residential" uses), they serve their purpose even if they are not actively farmed. Agricultural designation is a critical tool to contain urban growth and focus development where it makes the most sense.

"While HB 1901, HD1 has some worthy ideas, the bill lacks several amendments needed to make other sections of Chapter 205 consistent with the amendments proposed. The most problematic provision in the bill is the language for the LUC to reclassify lands before January 2009. The procedure for this is not specified in the bill, and the LUC currently has neither the authority nor a mechanism by which to reclassify lands on its own. The provision might be perceived as procedurally flawed since it would entail the LUC acting on its own application as both petitioner and decision-maker.

"In closing, a redefined Rural District could serve two very important functions: 1) the long-term protection and maintenance of rural working lands, established rural communities, and the natural, open space character and rural scale of rural landscapes; and 2) the accommodation of non-urban, non-agricultural activities and uses away from agricultural lands in the Agricultural District. The State's role is to ensure that the policy framework set at the state level is sufficiently robust and provides clear guidance for planning and managing rural land use and that the State policy enables and encourages counties to adopt codes, standards and programmatic tools that work together to support and protect both rural and agricultural areas. HB 1901 HD1 does not enable the state to fulfill that role."

Representative Shimabukuro rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Shimabukuro's written remarks are as follows:

"In opposition. While the bill contains some desirable elements, it severely weakens our existing land use law and public process for reclassifying agricultural lands. HB 1901 HD1 would facilitate moving tens of thousands of acres (or more) of current agricultural land -- if it's not currently being farmed -- into the rural district.

"First, nothing prevents landowners or counties with ostensibly "rural" lands from petitioning to reclassify those lands through the existing public process before the LUC. A streamlined process like that proposed in HB 1901 HD1 may foster unbridled sprawl as counties can race forward -- 90 day automatic approval! -- with opening up agricultural lands to development.

"Second, elimination of the existing process for rural reclassification will significantly curtail the public's involvement in land use decision making.

"The public will lose its right to question developers and their paid witnesses. Currently, the LUC's contested case proceedings give the public that right. In contrast, there is no such right before the city or county councils.

"The public will lose its right to make a complete and detailed factual presentation with expert witnesses and evidence. Presentations before the county councils are usually restricted to three minute speeches.

"The public will lose its right to challenge decisions which are inappropriate or contrary to the law. Over the years, the LUC has made several poor decisions. But because the LUC's procedures allow citizens to seek redress in the courts, citizens have been able to reverse these decisions. For example, Judge Michael Town, then a private citizen, successfully challenged the proposed development of agricultural land on Maui. Wai'anāe residents blocked a 103 acre amusement park at Kahe Point. Miloli'i residents stopped the Hawaiian Riviera Resort along the Ka'u coast. Central O'ahu residents stopped a 5000+ home subdivision on mostly prime agricultural land. In these cases, the courts agreed with citizens that development approvals were inappropriately granted. In contrast, HB 1901 HD1 allows no such redress. It only states that parties "shall further be allowed at least fifteen days following the final public hearing to file with the commission a written protest or other comments or recommendations."

"Third, HB 1901 HD1 also relies on outdated soil classifications for designation of the agricultural and rural districts.

"Finally, what this measure seems to overlook is the sprawl-preventing aspects of our state Land Use Law. The founders of Hawaii's land use law were the first in the nation to establish de facto "urban growth boundaries" and use comprehensive zoning as a way to keep unbridled development in check statewide. Our current law helps to prevent costly "urbanization" of lands far from existing urban areas where additional development is more efficient. In other words, when agriculturally designated lands restrict urban uses outside of the urban core (i.e., by prohibiting "residential" uses), they serve their purpose even if they are not actively farmed. Agricultural designation is a critical tool to contain urban growth and focus development where it makes the most sense.

"Please vote against HB 1901 HD1."

Representative Morita rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Morita's written remarks are as follows:

"Mr. Speaker, although House Bill 1901, House Draft 1 has some good provisions, this bill will also make fundamental changes to the State land use law, which, if allowed, will promote an unprecedented scattered pattern of sprawl in rural areas. Its two key provisions would:

- Authorize an expedited, ninety day process by which the Land Use Commission, State Office of Planning or a county to seek the reclassification of potentially thousands of acres of lands currently in the Agricultural District into a redefined Rural District;

- Deny citizens opposed to these changes virtually all recourse to challenge those decisions by making the process **quasi-legislative**, with no rights to contested case hearings. Effectively, any opposition to reclassification will be limited to one public hearing, with no rights to question individuals about the wisdom of such changes;

- Permit the grandfathering of existing (as of January 1, 2007) illegal residential subdivisions in the Agricultural District, thereby continuing the spread of urban and suburban sprawl in the form of scattered residential subdivisions, often times catering to the luxury market.

"Currently, the Rural District established by the Land Use Commission consists of only 0.26% of the lands of the State. However, the Hokulia litigation put counties, developers and landowners on notice of their obligations to prohibit use of lands for residential subdivisions in the Agricultural District (48% of all lands). Accordingly, the political strategy is to allow the shifting of these past improper land uses to the Rural District, which has more vague, and far less restrictive, permissible use standards (e.g., minimum lot size of half-acre, allows low density residential subdivisions).

"By allowing reclassification of current agriculture district lands into rural district lands, House Bill 1901, House Draft 1 could potentially transform vast agricultural areas by legitimizing residential and non-agricultural uses currently not allowed in the agriculture district without regard for their potential impact on agricultural activity. For example, it allows reclassification by landowners of up to 10% of any important agricultural lands they own to be reclassified for the Rural District. It would also require consideration of:

- Contiguous land areas with soil classified by the land study bureau's detailed land classification as overall (master) productivity rating class C, D, E, or U, not included in the agricultural district by the land use commission by January 1, 2009;
- Areas not suited to agricultural and ancillary activities by reason of topography and other related characteristics; and
- Areas suitable to other uses requiring limited physical infrastructure development and services, including low density residential uses, outdoor recreational uses, and passive open space uses.

"Rural districts may also include compact, small mixed use rural towns and service centers. Without any clear limitations related to sound land use planning, this bill would allow development that paves over open space, stifles agricultural activity by small farmers, and invites more expensive and intrusive infrastructure throughout rural areas. This potential sprawl will have a devastating impact on the ability of local small farmers and residents to afford land. It will clearly shift the past controversy over protecting agricultural land to the Rural District.

"For these reasons, Mr. Speaker, I ask my colleagues not to support this measure."

The motion was put to vote by the Chair and carried, and H.B. No. 1901, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," passed Third Reading by a vote of 40 ayes to 9 noes, with Representatives Belatti, Berg, Carroll, Luke, Morita, Rhoads, Saiki, Shimabukuro and Takumi voting no, and with Representatives Takai and Thielen being excused.

#### **H.B. No. 1037, HD 1:**

Representative Caldwell moved that H.B. No. 1037, HD 1, pass Third Reading, 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."

The motion was put to vote by the Chair and carried, and H.B. No. 1037, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COASTAL ZONE MANAGEMENT," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

**H.B. No. 310, HD 2:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 310, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TECHNOLOGY," passed Third Reading by a vote of 47 ayes to 2 noes, with Representatives Marumoto and Meyer voting no, and with Representatives Takai and Thielen being excused.

**H.B. No. 707, HD 1:**

Representative Caldwell moved that H.B. No. 707, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 707, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

At 8:16 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 257, HD 1  
H.B. No. 1901, HD 1  
H.B. No. 1037, HD 1  
H.B. No. 310, HD 2  
H.B. No. 707, HD 1

At 8:15 o'clock p.m., Representative Caldwell requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 8:18 o'clock p.m.

**H.B. No. 881, HD 1:**

Representative Caldwell moved that H.B. No. 881, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative M. Oshiro rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative M. Oshiro's written remarks are as follows:

"Mr. Speaker, I rise in support of this bill. This bill would raise standard deduction amounts, modify the income tax brackets based on inflation, and increase personal exemptions.

"The estimated fiscal impact of this bill is \$10 million per year.

"Mr. Speaker, I suggest that Members carefully consider these fiscal implications alongside others moving through the House and Senate this year. Equally important, Mr. Speaker, is that Members not overstate the magnitude of the surplus. While it is true that we had a sizable surplus of over \$700 million at the end of fiscal year 2006, Members must remember that the projected surplus for this year is already down to a little over \$400 million. Furthermore, our

year end balances are projected to decrease drastically over the next two years.

"Still, I remain cautiously optimistic, or "cautioumistic", as one Finance analyst opined, that we will be able to reduce taxes. And if we are able to provide some reduction, that we do so for lower income working families. Thank you, Mr. Speaker."

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

Representative Meyer's written remarks are as follows:

"I support this bill. This is a long-overdue bill to take into account inflation in setting tax brackets, standard deductions, and personal exemptions. Unless this bill is enacted, inflation will in effect create automatic annual tax increases, since without inflation indexing when wages rise due to inflation you pay more in taxes despite not gaining any real purchasing power."

The motion was put to vote by the Chair and carried, and H.B. No. 881, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COST OF LIVING ADJUSTMENTS TO INCOME TAX RATES AND STANDARD DEDUCTION AND PERSONAL EXEMPTION AMOUNTS," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

**H.B. No. 1799, HD 1:**

Representative Caldwell moved that H.B. No. 1799, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative M. Oshiro rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative M. Oshiro's written remarks are as follows:

"Mr. Speaker, I rise in support of this bill. This bill would provide a state earned income tax credit equal to 20% of the federal EITC.

"The estimated fiscal impact of this bill is \$24 million per year.

"Mr. Speaker, I suggest that Members carefully consider these fiscal implications alongside others moving through the House and Senate this year. Equally important, Mr. Speaker, is that Members not overstate the magnitude of the surplus. While it is true that we had a sizable surplus of over \$700 million at the end of fiscal year 2006, Members must remember that the projected surplus for this year is already down to a little over \$400 million. Furthermore, our year end balances are projected to decrease drastically over the next two years.

"Still, I remain cautiously optimistic, or "cautioumistic", as one Finance analyst opined, that we will be able to reduce taxes. And if we are able to provide some reduction, that we do so for lower income working families. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and H.B. No. 1799, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

**H.B. No. 1434:**

Representative Caldwell moved that H.B. No. 1434, pass Third Reading, seconded by Representative B. Oshiro.

Representative M. Oshiro rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative M. Oshiro's written remarks are as follows:

"Mr. Speaker, I rise in support of this bill. This bill would provide a mandatory income tax rebate to all taxpayers of an undetermined amount. Each \$1 of rebate translates to approximately \$1 million.

"Mr. Speaker, I suggest that Members carefully consider the potential fiscal implications of this bill alongside others moving through the House and Senate this year. Equally important, Mr. Speaker, is that Members not overstate the magnitude of the surplus. While it is true that we had a sizable surplus of over \$700 million at the end of fiscal year 2006, Members must remember that the projected surplus for this year is already down to a little over \$400 million. Furthermore, our year end balances are projected to decrease drastically over the next two years.

"Still, I remain cautiously optimistic, or "cautioumistic", as one Finance analyst opined, that we will be able to reduce taxes. And if we are able to provide some reduction, that we do so for lower income working families. Thank you, Mr. Speaker."

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

Representative Meyer's written remarks are as follows:

"I strongly support the concept behind this bill. The large State budget surplus we've run up shows that we are overtaxing our citizens. But, I have three concerns. First, this bill has a blanked out amount for the tax credit, and prior Legislatures in this situation have ignored the spirit of the Constitution by refunding only a token amount, such as \$1. We need a substantial tax credit that would refund a meaningful sum of money to our citizens. Second, it doesn't appear that the other legislation moving through the process will fix the root of this surplus by permanently lowering taxes."

The motion was put to vote by the Chair and carried, and H.B. No. 1434, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAX CREDIT," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

#### **H.B. No. 238:**

Representative Caldwell moved that H.B. No. 238, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, in support with very brief comments. This was a measure that was approved by the legislature last year and vetoed by the governor. It required a raise from 5% to 8.25% of the amount realized on the disposition of Hawaii real property by a non-resident seller. So again, it's part of our package on really curbing speculation and making housing more affordable for our workforce."

Representative Pine rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Finnegan rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Ching rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I am in opposition to H.B. 238 – Relating to the Sale of Real Property.

"This bill would increase the rate of tax from 5% to 8.25% that must be withheld from the sale of real estate by a nonresident seller. The Department of Taxation, as stated by Director Kurt Kawafuchi, will be impacted by this legislation because of the potential increase in refund claims that will be generated by increasing the amount withheld on real estate sales by nonresidents.

"The Department already receives numerous refund claims for withheld tax on these sales. In 1991, the withholding rate was 9% and was lowered 7 months later to 5%. It does not seem reasonable for the State to collect withholding tax in excess of the current capital gains tax rate of 7.25%. It is not only cumbersome for our timeshare owners to have to wait for the State to return the excess 1%, but it also wastes valuable State resources in having to administer the refunds of the excess amount."

At 8:21 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 8:22 o'clock p.m.

Representative M. Oshiro rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative M. Oshiro's written remarks are as follows:

"Mr. Speaker, I rise in support of this bill. This bill would increase the withholding tax amount, from five percent to eight and one-quarter percent, on the disposition of real property by a non-resident seller.

"This bill would assist the State in ensuring that non-residents who sell property in Hawaii have paid all the taxes that are due. All too often, non-resident owners of real property make money from their property by renting it out as transient accommodations or rentals, but never pay the general excise or transient accommodation taxes due to the State. This bill will help ensure compliance.

"Mr. Speaker, I suggest that Members carefully consider the fiscal implications alongside others moving through the House and Senate this year. Equally important, Mr. Speaker, is that Members not overstate the magnitude of the surplus. While it is true that we had a sizable surplus of over \$700 million at the end of fiscal year 2006, Members must remember that the projected surplus for this year is already down to a little over \$400 million. Furthermore, our year end balances are projected to decrease drastically over the next two years.

"Still, I remain cautiously optimistic, or "cautioumistic", as one Finance analyst opined, that we will be able to reduce taxes. And if we are able to provide some reduction, that we do so for lower income working families. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and H.B. No. 238, entitled: "A BILL FOR AN ACT RELATING TO THE SALE OF REAL PROPERTY," passed Third Reading by a vote of 43 ayes to 6 noes, with Representatives Brower, Ching, Finnegan, Marumoto, Meyer and Pine voting no, and with Representatives Takai and Thielen being excused.

At 8:25 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 881, HD 1  
H.B. No. 1799, HD 1  
H.B. No. 1434  
H.B. No. 238

#### **H.B. No. 1658, HD 1:**

Representative Caldwell moved that notwithstanding the recommendations contained in Stand. Com. Rep. No. 955, that H.B. No. 1658, HD 1 be recommitted to the Committee on Finance, seconded by Representative B. Oshiro.

The motion was put to vote by the Chair and carried, H.B. No. 1658, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ANTARA MEDICAL TRUST FUND," was recommitted to the Committee on Finance, with Representatives Takai and Thielen being excused.

#### H.B. No. 1909, HD 1:

Representative Caldwell moved that H.B. No. 1909, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I rise with strong reservations, but high expectations. Mr. Speaker, this bill has the potential of becoming one of the crown jewels of this Session. In the beginning it started out like that. It was called an ethics bill. Now it's only a Standing Committee on Conduct. We talked earlier about the public having confidence in us. This is a bill that will bring it. You talked about people wanting to show up to vote. This is a bill that will bring it in. But I have three problems with the bill, Mr. Speaker.

"Number one, it should not be Speaker-driven. In all due respect, Mr. Speaker, you have enough power as it is. You don't have to be sorting out who's ethical, who's not ethical, etc.

"Number two, it should have balanced representation between Minority and Majority. Right now, it is blanked out. And as at the press conference when you first announced the Ethics Committee, you gave the inspiration of the new Democratic Senate, the new Democratic Congress. Their Ethics Committee is three Republicans and three Democrats in the Senate. The House is four Republicans and four Democrats. So balance.

"The third problem I have with it is that right now you've turned the Ethics Commission into a clearinghouse. Essentially what happens is a bill is, or a complaint is filed, or essentially is brought into the Standing Committee, or however you call it, Conduct Committee and it immediately goes to the Ethics Commission. This is not only passing the buck, but it's a redundancy of what we've had in the Ethics Commission for years and years. We've always had an Ethics Commission. So there's no reason for us to set up a group to be a clearinghouse because then we can go to them straightaway. We don't have to go through this particular body.

"Mr. Speaker, you don't have to take it from me. We've lost some ground. And for those of you who have seen this morning's *Advertiser* editorial, they've said it, probably in summary terms, 'House Bill on Ethics won't reform anything'. Mr. Speaker, those are strong words, they've been watching us. We put out high expectations when you had the press conference and we've been continually moving backwards.

"I'm confident however, that you and the Leadership will push this forward because we can be more ethical. We can put our Ethics Committee back together and making it more than just something on Standards of Conduct. Everyone has the good housekeeping things on the wall. I think we need more than that. And this body has the potential to do it. And so that's why I'm only going with reservations because we have the potential to make this one of the crown jewels of the Session. Thank you."

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

"Mr. Speaker, in strong support. First, Mr. Speaker, I think we all need to thank the Chair of Judiciary and the Chair of LMG for putting a lot of hours and hard work and research into working on this issue. And I think every Member of this body can be proud of that, that for the first time, I think, this body has taken up the issue of trying to set up an Ethics Committee or a Standards of Conduct Committee that polices itself. Up until this proposal, it does rest with the Speaker of the House and the President of the Senate. And it's a huge burden to place on both of those Members, whoever they are, through the decades.

"What we're trying to do here is setting up a Committee within our body to deal with these issues. I think we've taken a bold first step along those lines. And as we walk down that path, we've seen that perhaps there are things we need to do to amend it. I think the *Advertiser* got it wrong, this morning, in their editorial unfortunately and I'm hoping that with time they will see where they erred. But this is what we've done.

"We took a bill, HB No. 1909, it was introduced, and basically copied what the United States Senate had done. But what we have here in Hawaii is very different than the United States Senate. We can be proud of the fact that this body, years ago, adopted and passed an Ethics Commission, one of the first in the United States. So we're on the forefront in that way. And this independent body investigates ethics complaints involving members of this Legislature.

"When we established HB No. 1909, what we discovered is that perhaps we could set up a situation where both an Ethics Committee and the Ethics Commission could both be doing separate investigations on the same complaint and arriving at different conclusions. We didn't want to create that problem. One, it duplicates work. Secondly, which one is the appropriate body to do this?

"Now, Congress doesn't have that. They don't have an independent Ethics Commission. They have an Ethics Committee. They deal with everything. So the Chair of Judiciary and the Chair of LMG recognized that, stepped back and said, let's look at this issue. Let's allow the Ethics Commission stand. It does a good job. We should be proud of the hard work that they do. Let's refocus our efforts on what isn't covered by the Ethics Commission. And those issues are things that deal with standards of conduct. It's all kinds of things, in terms of how we handle ourselves.

"So the beauty of it, Mr. Speaker, is that we said complaints can be made. And they're being referred first to the Ethics Commission. If the Commission determines, very quickly, that it's not within their jurisdiction, it's a standard of conduct issue, not an ethics issue, they remand it back to the Committee. And the *Advertiser* got it wrong when they said it's you or the President of the Senate that determines whether that complaint is taken up. No.

"If you read the bill, you can refer to it, you go to page 5, line 10, subsection 3, 'The commission shall promptly provide the legislative standards of conduct committee with an explanation of the commission's decision ...'. Excuse me. I'm reading the wrong thing. Okay, sorry.

"Page 3, starting with line 16. 'Upon receipt of a decision by the State Ethics Commission, pursuant to section 84-E, that a charge does not fall within the Commission's jurisdiction', this is Ethics Commission's jurisdiction, 'then the Legislature's Standards of Conduct Committee shall determine whether there is sufficient cause to file a complaint against the legislator.'

"The Standards of Conduct Committee, determines, Mr. Speaker. Not you as Speaker. And not the Senate President. So there is this independence. Right now it's blanked out as to how many members should be on the Committee and what the balance should be? When we put in HB No. 1909, it basically followed every other Committee on this body, which is that the Majority Party had the majority of the members. The Minority was bothered by that. And you know, we could understand it. They could be bothered by that. In discussions

in the LMG and the Judiciary Committee, I would say that there's a close agreement that it should be balanced. Three three. Something along those lines. But we believe that something has to be discussed further, as it moves through the Senate.

"And there's also the issue of who should chair the Committee. Should it be the Speaker and the President? Should it be the Chair of Judiciary? In any event, those people I just mentioned are part of the Majority Party. Now others have said, including the *Advertiser*, that perhaps ..."

Representative M. Oshiro rose to yield his time, and the Chair, "so ordered."

Representative Caldwell continued, stating:

"Thank you, Chair of Finance. I appreciate it. Perhaps, we really shouldn't be policing ourselves. Some other body should. Well, we do have an Ethics Commission that does review complaints.

"But I wanted to point out. We have the Board of Medical Examiners for physicians. They police themselves. They determine who gets licenses, who revokes licenses and guess what? The majority of those members on that commission are MDs, as they should be. You've got the Office of Disciplinary Council that regulates lawyers. And the majority of those members are lawyers and bring on punishment. And Mr. Speaker, I'd like to point out that that Honolulu Media Council does the same things for journalists.

"Now we could argue that maybe the Legislature should police the professionals and ethics of journalism. They wouldn't like that. The point being that many different professions police themselves. And we're trying to do this. And it's much different than what's existed for decades. So we're starting this independent Committee to take up these complaints that the Ethics Commission doesn't have a jurisdiction over. It's going to bring greater discipline, I think Mr. Speaker, for this body, it's going to bring greater sensitivity. And it's going to put less burden on leadership in terms of the Speaker of the House and the President to determine what should be investigated and not. And there's a process in place.

"Now finally, the *Advertiser* said that they didn't like the fact that we had to come up with rules. Well, here's the Senate rules, for the United States Senate. Two inches thick. Rules. I think this Committee, to operate appropriately, they are going to need rules. And these rules could deal with all kinds of issues that pertain to some of the things that we took out of this bill.

"Mr. Speaker, I think this is a bold step. I think we should be proud of what we've done. And I think it continues to be a work in progress and that we'll continue to deal with it all the way up to Conference. Thank you, Mr. Speaker. I hope everyone supports the bill."

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

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

"Thank you, Mr. Speaker. I stand with reservations and would like the words of the speaker from Hawaii Kai, and also I have some additional comments.

"I think in regards to the authority upon the Committee that the Majority Leader was talking about, I think the part in question has to do more with the duties of the Legislative Standards of Conduct Committee. It says, 'shall review ethics issues as requested by the Speaker.' So I read that to mean it has to come from you. So if there's some kind of conduct issue, it would have to come through

you in order to get to the Committee. And I think that's what they were talking about.

"The other thing is, it's extremely difficult for us to police ourselves because as you know, this body here where 51 Members—and as much as we would want to, it's very difficult. We work with each other. We try to collaborate with each other, we work on different bills. And we develop relationships. That's extremely difficult. And we have Chairmanships over Members and all those other items that makes it very difficult to say, You know what? I think you did something wrong.'

"Mr. Speaker, I would just like to say to police ourselves is asking a lot out of us. But I'm willing to move forward with this because you know what, the effort that has been put into it thus far should continue and I hope that we come out with a good bill."

Representative Ward rose to respond, stating:

"Thank you, Mr. Speaker. I just wanted to make sure that we are reading the same bill because it does say that you are the Chair of the Committee on page 2, lines 5 to 7. The Speaker of the House shall serve as Chair of the Committee. And then as previously quoted, your obligation and the Committee's obligation is to review the ethics as requested by the Speaker. So if you don't request any ethical movement, nothing happens.

"And I think for the sake of the record, the *Advertiser* did get it straight. But I think there's something else missing in what the *Advertiser* didn't say and what we haven't said. There are two things that we need to put ourselves under. One is the Sunshine Law. We have never said that we are subject to that. And number two, it's conflict of interest. You can put all the conflicts of interest out there, as you know, today we've had probably a couple dozen. The Ethics Commission hasn't been dealing with those. Those are things that we need to get serious about in this.

"And I can quote the *Advertiser* as, an encouragement for us. 'As for today's vote, the House should have some guts and allow these Committees to operate more independently of the powers that be.' So asking for a real Ethics Commission with real enforcement and real objectivity, bipartisanship, observation from the outside and something that we can all be proud of Mr. Speaker. And that's why I say this as a bit of a critique, but with an optimism that this can be one of the things that shines after the Session's over and I hope the Senate and all of us have that reform spirit. Thank you, very much."

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

"Mr. Speaker, very briefly in support. First of all, I just want to correct people's reading of the bill. I think they need to look at it closely. On page 3, line number 7, subsection 4 says, 'perform the duties required by 84-C. So, the law that talks about subsection 3 and the right for you to refer things, what they really need to look at is the next line because that says they have to perform the duties as outlined in 84-C and as the Majority Leader already said, he went through the process. I think that clarifies it for everybody. It's not discretionary to the Speaker when a complaint is made and when it's not going to be taken up by the Ethics Commission.

"But secondly, I just want to address the concern that, our Ethics Code really has to do with every single person in State government. And really that's what Chapter 84 is about. It's about the standards of conduct and ethics for everyone. And the question is, when we as a Legislature, are going to say that we want to take up something over and beyond that, or differently than that, how are we going to set that up?

"So I think it's perfectly fine for us to have this structure because the Ethics Commission is totally independent. We want them to have that independence. We want them not to be members of our own body. We want that unbiased opinion. We want that independent

review. And that's what they provide. And if they cannot, for some reason, take up a complaint because it doesn't fall under Chapter 84, at that point then the Legislature, itself, can take it on its own accord to decide what, if anything they're going to do. I think that's totally appropriate and there's no reason why we need to be creating dual structures. Thank you."

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

"Thank you, Mr. Speaker. I'm rising in support with some reservations. I'm pleased at the Majority stepped forward and moved this idea forward. I think it was time to do that. The part that I'm most concerned about is the makeup of the Legislative Standards of Conduct Committee. I was happy to hear the Majority Leader talk about discussions in other Committees that talked about having equal members. I think that by having equal numbers and I think three and three would be good. I don't think it should be such a small Committee so that there could be a free exchange of ideas. I think the Committee would have a lot more credibility if it had equal representation. Thank you, Mr. Speaker."

Representative Caldwell rose to respond, stating:

"Mr. Speaker, just briefly. Just to make it absolutely crystal clear because I still think some people don't get it. And the *Advertiser* didn't get it. It's this issue that the Majority Floor Leader did hit. When there's a complaint that does come before the Standards of Conduct Committee, the Committee decides whether to investigate by majority vote. And that's in 84-C 3. No doubt about it.

"But when they talked, further up, when they talked about subsection three of the new ethics section, if there were any other issues that needed to be brought before the Committee that don't deal with complaints, they have to get before the Committee somehow. And that's why we left the additional option that you as the Speaker or Madame President can say, 'We'd like you to look at this.' It could be issues regarding conflicts of interest. There needs to be a mechanism. And that's why it's there.

"But the main issue involves complaints that can be brought against any one of us, and is up before the Standards of Conduct Committee. It's the Committee that decides whether to review the complaint. Not you as Speaker or Madame President. I hope that's clear to everyone. Thank you."

The motion was put to vote by the Chair and carried, and H.B. No. 1909, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STANDARDS OF CONDUCT," passed Third Reading by a vote of 49 ayes, with Representatives Takai and Thielen being excused.

#### **H.B. No. 840, HD 1:**

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 840, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY TECHNOLOGIES," passed Third Reading by a vote of 40 ayes to 9 noes, with Representatives Belatti, Berg, Bertram, Carroll, Luke, Morita, Shimabukuro, Takumi and Wakai voting no, and with Representatives Takai and Thielen being excused.

At 8:45 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1909, HD 1  
H.B. No. 840, HD 1

At 8:45 o'clock p.m., Representative Yamane requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 8:46 o'clock p.m.

At this time, the Chair announced:

"Members of the House. We are on page 35 and earlier this morning we decided to move HB No. 1456, HD 2 to the end of the calendar. We will now address it."

#### **END OF CALENDAR**

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 996) recommending that H.B. No. 1456, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1456, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, sir. I am in opposition to this measure. I think it's not a great idea to allow psychologists the privilege to prescribe psychotropic medications. I was in favor of this last year with certain conditions. I don't think those conditions have been met.

"I would just like to read to you a letter from Medical Director of the Koolauloa Community Health and Wellness Center. It's addressed to Representative Herkes and Members of the Committee on Consumer Protection and Commerce:

Dear Members of the Committee: I am a family physician and the Medical Director of the Koolauloa Community Health and Wellness Center, a federally qualified health center in Kahuku. House Bill 1456, H.D. 1 makes several sweeping generalizations that implies that all primary care physician at federally qualified health centers are in favor of H.B. 1456, H.D. 1. This perception, like many other perceptions implied throughout the bill, is misleading.

I am adamantly opposed to what is being proposed in this bill. The amount of education that psychologists are mandated to receive is inadequate to prepare them for the responsibility of prescribing potentially dangerous medications. I feel for the safety of my patients, my family and my friends if they should be prescribed medications by a psychologist trained in accordance with this bill.

I am a member of the Primary Care Association of Hawaii and I have made it clear that I am adamantly opposed to this measure. As a primary care physician, I feel that my patients are safer and will get safer medication management if I prescribe their medication in collaboration with a psychiatrist. Please vote no on H.B. 1456, H.D. 1.

Respectfully, Miriam Chang, M.D., Medical Director of the Koolauloa Community Health and Wellness Center.

"Thank you, very much."

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

"Thank you, Mr. Speaker. In strong support. Mr. Speaker, we've heard all of the arguments both sides of this bill, *ad nauseam*. We've been lobbied hard on both sides. A little earlier this evening we heard about a 'Chicken Little' bill, and if we pass it, the sky would fall in. Mr. Speaker, this is a 'Chicken Little' bill. If we pass it, the sky will fall in.

"Mr. Speaker, about six or seven, or eight years ago, we had another 'Chicken Little' bill to give prescriptive authority to APRNs and the argument was the sky is going to fall in if we passed that bill.

Well, the last time I looked the sky is still intact. And we gave much broader medical support to the rural underserved communities of our State. We had the same arguments when we gave the prescriptive authority to physician assistants. We had the same arguments that the sky will fall in when we gave anesthesia to dental hygienist. And we had the same arguments when we gave more authority to optometrists. I find it interesting that a few hours ago, we had a bill to expand prescriptive authority to APRNs giving them psychotropic medicines. There were 49 of us in this room and there wasn't a single word said about it. When I compare that to what happened seven years ago, I find that fascinating.

"What this bill does is it gives help to those underserved rural areas of the State in a very, very limited way. I think we're talking about maybe 6 psychologists, and if they go through training, maybe we're talking about 12. Mr. Speaker, we still have significant depression from the October 15th earthquake on the Big Island and they're not getting any help. And we're getting very little help from the medical community on that issue. What is the risk if we pass this and we give some support to those in rural underserved areas? Maybe we will save one suicide. That will be worth it. Maybe we can get some people off ice. Maybe we can solve some of those or help solve some of those serious depressions that we have in some of these very rural underserved areas of the State.

"Mr. Speaker, it was suggested that we recommit this bill because we weren't sure of the vote. I think that we deserve an up or down vote of this bill recorded so that the people in these rural underserved areas will have some idea whether or not this body wants to extend some help to them. I have enough confidence in the people of this House having served here for a number of years that they would vote their conscience, and I accept the vote up or down. Thank you."

Representative Yamane rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I need a ruling on a potential conflict. Part time, I work for a nonprofit organization and a clinical psychologist. He is my supervisor and the owner and operator of the program that I belong to. Thank you, Mr. Speaker," and the Chair ruled, "no conflict."

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

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

Representative Shimabukuro's written remarks are as follows:

"I am in support of House Bill 1456 HD2. I firmly believe that this bill introduced by the Representative from Kailua-Kona—a physician who knows first-hand the needs of people living in medically underserved areas of our islands—will help meet the urgent need for timely, appropriate and cost-effective therapeutic mental health services in rural areas.

"I represent a rural district in which the only medical facility is a federally qualified health center (FQHC), one of a handful of such centers throughout the State. It is also an area in which access to psychiatric care is severely limited. This bill, with its narrow focus, applies only to licensed psychologists practicing in an FQHC and in collaboration with the patient's primary physician.

"I have great respect for many of those representing medical, health and advocacy organizations who have testified and lobbied against this bill. Given that, primary doctors who agree with the opponents, or feel that the psychologist they are supervising is not qualified, can refuse to supervise the psychologist to prescribe. Just as in any other profession, a supervisor may exercise her judgment and decide that she lacks the expertise, philosophically disagrees, or

has other reasons to refuse to take on the liability of supervising an individual.

"To deny the people of rural Hawaii the specialized care—and medication—that appropriately trained psychologists can provide is both unfair and unnecessary."

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

"Thank you, Mr. Speaker, in opposition. Putting this at the end of the calendar, I guess, I've had all my energy sucked up from the day before so it was a good idea to keep the arguments short on this bill.

"In the past, I've always taken each prescriptive authority bill by itself. Taking a look at it I was in support of the optometrist, and you know, looking at their education and everything. The APRN bill, I wasn't here seven years ago, but now I take a look at it and then look at the type of education that they have, and I'm voting with no problems with that bill.

"I take a look at this bill and I remember one of the things that was compelling a couple of years ago, or maybe it was even last year, was that there was a PDP program, which is a DOD, Department of Defense program. We said that we were going to have this checked out by LRB and ask them to study it. They did release a report, Mr. Speaker, that we requested of them. Basically what they say in their report and their recommendations about giving psychologists prescription authority is quoted and said that clinical training requirement should be no less rigorous than the psychopharmacology demonstration project program training model and a scope of practice and formulary for graduates that is no broader than limitations applied to PDP program graduates. This bill is nowhere near that rigorous training program, Mr. Speaker.

"Even though the PDP program had its strengths and weaknesses, the military decided to terminate the program. So, Mr. Speaker, I'm voting no because the very reason that I was using to support the psychologist prescribing is no longer there. From our own LRB study or report that was given us. Thank you very much, Mr. Speaker."

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

"Thank you, Mr. Speaker. I will be brief. This is in support of the bill and I'm in strong support. Members, two years ago we passed a bill from the House, or a similar bill. The problem remains. It didn't become law, it didn't pass the Senate. The fundamental question is: Are we or aren't we taking care of people who have mental health problems in our State, particularly in our underserved rural areas? All politics aside, and all advocates aside, are we taking care of those people? I have to tell you it is true, nothing has changed. So, if you ask yourself how you're going to vote, nothing has changed for the people that need this care.

"Two years ago, we begged and pleaded to pass a bill to get these people some help, people who have severe mental health illness that are in jeopardy of killing themselves, are in jeopardy of leaving families behind because they get no care. If two years had passed, and I could come here in good faith and tell you there are more psychiatrists in Ka'u, or other rural areas of Big Island, or other rural areas of the State, then I would sit down happily and say, we are getting people the mental health care that they have needed. But that hasn't happened. There are fewer psychiatrists in some of the most needy areas. Fewer. People get no care.

"Over and over again, I've heard compelling testimony about, 'Will it be safe?' But let me tell you something. Psychologists are extraordinarily well-educated people. They are extremely intelligent. They are intelligent like our nurses. They go and get prescription privileges. They are intelligent like our doctors. They go and get the same privileges. We are not proposing a watered-down version of

training. These people have gone through many years of training in psychology, training that doctors don't get because they study other fields, other disciplines. Doctors go and study medicine, but they get very little training in mental health. Meanwhile, we in the State of Hawaii have not provided care for them in the rural areas. Like I said, if solutions had come, it would be easy not to have this bill.

"Obviously, we're fighting over a very small piece of healthcare and very limited prescription privilege for a small, small group of people. But the reality is are we going to leave people in dire need and wait another two years, and another, and another. This bill has gone way back in time. Nearly a decade. People have been suffering with severe depression. People have been suffering with the potential for suicide and we haven't done anything. We just haven't. The treatment and the options have receded for our most needy people. There has been no solution. Therefore, it is simply give 'lip service' when people come and tell us they are working on the problem. 'We'll get back to you in another year. We'll get back to you in two years.'

"We've had every task force. We've had the study, but we haven't had the care. And I really urge you to go down the road and deliver care for your constituents that have depression, that have desperation because they're relying on you for a solution and not for a delay. Thank you, colleagues."

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

Representative Chong's written remarks are as follows:

"Mr. Speaker, I am in support of HB 1456 with reservations. Although I voted no last year due to form and procedural reasons, I would like to continue discussion on this bill in hopes that some resolution can be achieved for the benefit of those who need psychotropic medications in remote areas."

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

"Thank you, Mr. Speaker. I rise with reservations. The last time this bill appeared before us, I voted no because I had many serious concerns. In the meantime, in looking at how the bill has evolved, I would encourage our colleagues to consider voting for this out of respect for the constituents of our Neighbor Islands and underserved communities of our colleagues. But more importantly because I think that the effort to move forward and make this a bill a work in progress. Thank you."

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

Representative Karamatsu's written remarks are as follows:

"I rise in support with strong reservations.

"I have reservations on House bill 1456 House Draft 2, which would allow psychologists practicing in licensed health clinics in federally designated medically underserved areas or mental health professional shortage areas to prescribe psychotropic medications. I believe the bill does not ensure patient safety because the training required for psychologists in this measure is well below the training psychiatrists go through in undergraduate studies and medical school and the training required by the Department of Defense Psychologist Training Model.

"The Department of Defense Psychologist Training Model allowed psychologists to prescribe psychotropic medications, however, the program ended because the program was found to be unnecessary and costly. In comparing the Department of Defense Psychologist

Training Model with the program in this bill, there is a big difference in the requirements. The differences are as follows:

Department of Defense Psychologist Training Model:

- 3 years full-time training program (over 6,000 hours);
- 2 years full-time classroom training in a medical school and hospital;
- 1 year of full-time clinical training under the supervision of a psychiatrist;
- Only allowed to prescribe to 18 to 65 year olds; and
- Not allowed to prescribe to patients with any medical complication.

House Bill 1456 House Draft 2:

- Eleven and one-half weeks of classroom (450 hours);
- No full-time classroom training required;
- No full-time clinical training and no hospital training;
- Only required to see 100 patients within 1 year under physician supervision; and
- Allowed to prescribe to all ages and to patients with heart disease, cancer, diabetes, substance abusers, etc.

"Thank you."

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

"Mr. Speaker and Members, I vote with reservations. I was originally going to vote no, but in due respect to the Chairman, I will continue to look into the psychiatrist versus the psychologist issue, but I need to still be more convinced that the psychologist can provide a solution.

"I'm well aware the good doctor has mentioned that there are areas in the State that are underserved. And we should certainly try to meet that need. The question that I have, and I'm sure the doctor's much more learned than I am, is that for one that doesn't have any medical training, would that person with some minimum training of 450 hours be able to do at least some of the work that a psychiatrist can do?"

"So, this is what I need to see in the next month or two as this moves along. And I certainly will give every benefit of the doubt to the Chairman and to the good doctor until I can be proven wrong, which I hope I can. Thank you very much."

Representative Tokioka rose in support of the measure and asked that the remarks of Representatives Herkes and Green be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

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

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

"Thank you, Speaker. In opposition. I want to believe that this bill will evolve into something that I will be able to support. I'm not satisfied that we've done everything we could to protect the public to ensure that the patients that will be the beneficiaries of this measure will be safe. The 450 hours and 180 hours that is mandated in the bill right now is insufficient. I checked with even the strongest proponents of this particular measure, a doctor from Waianae, and he agrees it should be increased. These hours should be increased.

"The problem in the rural areas is really much more complicated, than what we're hearing here today. The federally qualified health centers do not actually employ psychiatrists, that's the reason why we don't have psychiatrists there. I don't understand why the patients in those rural areas, at the federally qualified health centers do not have these kinds of services that they deserve. They can have

psychologists to take care of their mental health needs. That's already a given. They are there. They are present in those centers, they will give them mental healthcare. The only thing that they really can't do is to give them pharmacological help, to dispense medication to them directly. But that can also be done in another way. It can be done by a doctor that's in residence there. There's always a primary physician at those centers.

"So, I'm very uncomfortable that we're doing this in such a way that we're trying to push this out when it's not even ready. And we're really saying that there's no help for these individuals, when really there is. It's just a different way of doing it. We cannot say that they're not getting help when they have a psychologist employed. We cannot say that they're some psychiatrist if they don't want to employ them. We cannot say that they are not getting medication when there are doctors there that are able to prescribe this. The truth is even medical doctors who are not psychiatrists are afraid to dispense medications such as this.

"I give a lot of credit to the psychologists who are stepping forward and saying, 'Hey, let's fill this void that the medical doctors don't want to do.' But, this is the Legislature. We're entitled to our own opinions. We're entitled to the kind of information that will satisfy us to help us vote intelligently. This particular Representative, Mr. Speaker, is not satisfied that we've done everything possible to ensure the safety of the patients out there who need our help. We cannot say, 'Yes, this is the frontline. It's good enough. Yes, this is MASH. This is Korea and we can do whatever we can, right here.'

"This is not really Korea. This is not really the frontline. This is the rural area where we have psychologists already working to benefit the mental health of the patients there, and a physician always available to prescribe medication. Let's not short circuit it in this way. Thank you."

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

"Mr. Speaker, I'm changing my vote from a no, to a yes with reservations in consideration of the needs of my colleagues from the Neighbor Islands. I don't believe that they should be able to prescribe, but I hear them and I feel them, so therefore, I yield to them. Thank you."

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

"I rise with reservations. I support both Chairs, but also I'm against all these drugs. But I have to support them, anyway. Thank you."

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

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

"Thank you, Mr. Speaker. I rise in support with reservations and I just want to clarify a comment that was made that the Department of Defense has ended their program. My understanding is that they have restarted their program to allow psychologists to begin prescribing because of the many problems that our veterans are coming back with from the many wars that they're defending. I think that we need this very limited bill and that it will save lives. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. In opposition with written comments. When it comes to the different parts of the body, in my conversations with psychiatrists and with my conversations with people who have partaken of their services, thinking long and hard, there's no mistake neuro surgeons have so much that they have to learn. It's very difficult area, neurosurgery.

"Similarly, psychiatrists, when it comes to the brain, that is a very unique part of the body. You know, there's orthopedics, there's this, there's that. It's a very unique part of the body. It's a very intricate muscle of sorts. And with the different synapses, anything that's in it, I can understand and I thoroughly agree with the Representative from Waipahu, that how some doctors may not even want to. They don't feel comfortable with prescribing these types of drugs because a little bit too much. I look at the list of some of these drugs. I've seen some of these drugs. I know people who use these drugs. If you prescribe too much of some of these drugs, you can have an adverse effect.

"I guess from my own personal experience, I had one of my best friends commit suicide. She succeeded in committing suicide. It's not an easy thing prescribing drugs and sometimes if it's not quite right, they have this feeling of euphoria. They think they're okay and then they crash. So, I agree with wanting to save lives. I just have too much respect for up here to be okay with passing this bill."

Representative Ching's written remarks are as follows:

"I strongly oppose H.B. 1456--Relating to Psychologists. While I can understand that there is a great need for psychiatric care in rural areas that is not currently met, and that HB 1456 seeks to remedy this need, it does not assure that the proposed prescribers will be able to prescribe safely or that they will serve in rural areas. A comprehensive medical education is necessary to safely prescribe psychotropic medications. Psychologists are trained to diagnose and treat mental diseases and disorders by behavioral and psychotherapeutic interventions, not medical ones. Allowing psychologists to prescribe medications without adequate medical training will only serve to degrade the level of medical care in Hawaii.

"Most importantly, mentally ill patients may be prone to suicide ideations and one common means of suicide is overdosing on prescription medications. The practitioner must understand, acknowledge, and be aware that intentional or accidental overdose will occur; they must understand the treatment protocols for each medication and the sometimes obscure side effects of each medication. There is clear and present danger in an attempt to rapidly educate clinical psychologists and allow prescriptive privilege after a short period of study. Allowing psychologists to prescribe medications puts patients' safety at risk."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1456, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PSYCHOLOGISTS," passed Third Reading by a vote of 30 ayes to 18 noes, with Representatives Awana, Brower, Chang, Ching, Evans, Finnegan, Har, Ito, Lee, Magaoay, Manahan, Marumoto, Meyer, Pine, Sonson, Tsuji, Ward and Yamane voting no, and with Representatives Nakasone, Takai and Thielen being excused.

At 9:11 o'clock p.m., the Chair noted that H.B. No. 1456, HD 2, passed Third Reading.

## INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolution (H.R. No. 34 through 40) and concurrent resolution (H.C.R No. 54 through 60) were referred to Printing and further action was deferred:



H.R. No. 34, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO ESTABLISH AN INTERIM TASK FORCE TO REVIEW THE STATE MAXIMUM ALLOWABLE COST PROGRAM'S REIMBURSEMENT POLICY AND ITS IMPACT ON SMALL, INDEPENDENT, COMMUNITY PHARMACIES," was jointly offered by Representatives Yamashita, Chong, Green, Herkes, Karamatsu, Shimabukuro and Yamane.

H.R. No. 35, entitled: "HOUSE RESOLUTION URGING THE DEPARTMENT OF EDUCATION TO STUDY THE FEASIBILITY OF INTEGRATING PEACE EDUCATION INTO THE SCHOOL CURRICULUM," was jointly offered by Representatives Takamine and Berg.

H.R. No. 36, entitled: "HOUSE RESOLUTION RECOGNIZING MARCH 2007 AS NATIONAL PROFESSIONAL SOCIAL WORK MONTH," was jointly offered by Representatives Shimabukuro and Rhoads.

H.R. No. 37, entitled: "HOUSE RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII TO PLAN SUFFICIENT ON-CAMPUS PARKING AT KAPIOLANI COMMUNITY COLLEGE," was jointly offered by Representatives Marumoto, Chang, Ching, Finnegan, Nishimoto, Pine, Shimabukuro, Takai, Cabanilla and Wakai.

H.R. No. 38, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO UNDERTAKE PLANNING ACTIVITIES WITH RESPECT TO A STADIUM ON OAHU," was jointly offered by Representatives Ito and Chong.

H.R. No. 39, entitled: "HOUSE RESOLUTION REQUESTING ALL BRANCHES OF THE UNITED STATES GOVERNMENT TO PROHIBIT DUMPING OF VESSEL SEWAGE WITHIN THE HAWAIIAN ISLANDS HUMPBACK WHALE NATIONAL MARINE SANCTUARY," was jointly offered by Representatives Bertram, Berg, Carroll, Mizuno, Nishimoto, Takai, Finnegan, Ito, Takumi and Wakai.

H.R. No. 40, entitled: "HOUSE RESOLUTION REQUESTING THE GOVERNOR TO PROCLAIM JULY 18, 2007, AS SHARON MABE DAY IN THE STATE OF HAWAII," was jointly offered by Representatives Mizuno, Cabanilla, Hanohano, Nishimoto, Sonson, Awana, Belatti, Bertram, Brower, Ching, Lee, Magaoay, Manahan, Shimabukuro, Souki, Takamine, Tsuji and Waters.

H.C.R. No. 54, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO ESTABLISH AN INTERIM TASK FORCE TO REVIEW THE STATE MAXIMUM ALLOWABLE COST PROGRAM'S REIMBURSEMENT POLICY AND ITS IMPACT ON SMALL, INDEPENDENT, COMMUNITY PHARMACIES," was jointly offered by Representatives Yamashita, Chong, Green, Herkes, Karamatsu, Shimabukuro and Yamane.

H.C.R. No. 55, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF EDUCATION TO STUDY THE FEASIBILITY OF INTEGRATING PEACE EDUCATION INTO THE SCHOOL CURRICULUM," was jointly offered by Representatives Takamine and Berg.

H.C.R. No. 56, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII TO PLAN SUFFICIENT ON-CAMPUS PARKING AT KAPIOLANI COMMUNITY COLLEGE," was jointly offered by Representatives Marumoto, Chang, Ching, Finnegan, Nishimoto, Shimabukuro, Takai, Cabanilla and Wakai.

H.C.R. No. 57, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO UNDERTAKE PLANNING ACTIVITIES WITH RESPECT TO A STADIUM ON OAHU," was jointly offered by Representatives Ito and Chong.

H.C.R. No. 58, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING ALL BRANCHES OF THE UNITED STATES GOVERNMENT TO PROHIBIT DUMPING OF VESSEL SEWAGE WITHIN THE HAWAIIAN ISLANDS HUMPBACK WHALE NATIONAL MARINE SANCTUARY," was jointly offered by Representatives Bertram, Berg, Mizuno, Nishimoto, Takai, Finnegan, Ito, Takumi and Wakai.

H.C.R. No. 59, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO MAKE THE HALEAKALA TRAIL AVAILABLE TO THE PEOPLE OF HAWAII," was jointly offered by Representatives Bertram, Brower, Carroll, Hanohano, Ito, Mizuno, Nishimoto, Rhoads and Wakai.

H.C.R. No. 60, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE GOVERNOR TO PROCLAIM JULY 18, 2007, AS SHARON MABE DAY IN THE STATE OF HAWAII," was jointly offered by Representatives Mizuno, Cabanilla, Hanohano, Nishimoto, Sonson, Awana, Belatti, Bertram, Brower, Ching, Lee, Magaoay, Manahan, Shimabukuro, Souki, Takamine, Tsuji and Waters.

#### ANNOUNCEMENTS

Representative Evans: "Thank you, Mr. Speaker. Colleagues, I want to invite you tomorrow to the Fifth Annual Historic Preservation Awareness Day on the Second Floor of the Capitol. We're going to have on the *lanai* over 35 exhibitors, probably a lot of people you know dealing with historic preservation. I invite you to come by. We also have guest speakers from 1:30 to 3:30, and you're all invited tomorrow evening at 5:30 at Washington Place for a reception. Please join us. Thank you."

Representative Caldwell: "Mr. Speaker, I don't have so much an announcement as just expressing thanks. Today was the first time the House tried a Consent Calendar and I think we can all be proud of the fact that we did move 185 or 186 I think, bills over to the Senate which become vehicles at the time of Conference. I think the hope of some of us was that we'd finish the rest within five or six hours, but as usual, I think we filled the vacuum with some good debate.

"In the end though, we have to look at the Clerk's Office, starting with Pat Mau-Shimizu and her whole staff, staying and working hard yesterday, late into the evening. And our own staffs, pulling out the bills that were not part of the Consent Calendar. So, I think we owe a lot of thanks to both the Clerk's Office and our staffs. And to the Minority for cooperating on the Consent Calendar. And we say thanks to our Sgt.-at-Arms, too. You are correct, Mr. Speaker. And our Printshop operators. Anyone else? And the Capitol Guards. Thank you, very much."

Representative Meyer: "Thank you, Mr. Speaker. Since this is the first time we've operated this way with the Consent Calendar and Ordinary Calendar, when the Clerk was kind enough to give us a primer on it, she did say that we should ask for a recess before we actually shut down for the night so that we can make sure that everybody has made their request to insert remarks."

Speaker Say: "Has everyone submitted their written comments? Because earlier this morning, the Chair did state for the record that your written comments should be submitted before the adjournment this evening. This is for the Consent Calendar and the Ordinary Calendar."

Representative Meyer: "That's what I was asking for. That we would have that opportunity to do that now, just in the next few minutes before we adjourn for the night."

Speaker Say: "The Chair will allow you to submit it right after we adjourn this evening. But it has to be this evening. Thank you very much."

Representative Tokioka: "Thank you, Mr. Speaker. This is the first opportunity that we've had since Girls' Day, so on behalf of all the men in the House, we'd like to wish all the women in the House, all the girls in the House, Happy Girls Day."

Representative Ward: "Mr. Speaker. I take particular pride in seconding that motion as the only male of the Caucus of this side."

### ADJOURNMENT

At 9:15 o'clock p.m. on motion by Representative B. Oshiro, seconded by Representative Meyer and carried, the House of Representatives adjourned until 2:00 o'clock p.m., Thursday, March 8, 2007. (Representative Nakasone, Takai and Thielen were excused.)

### HOUSE COMMUNICATION

"March 6, 2007

The Honorable Linda Lingle  
Governor of the State of Hawaii  
Executive Chambers  
State Capitol  
Honolulu, Hawaii 96813

Dear Governor Lingle:

In accordance with the provisions of Article XVII, Section 3 of the Hawaii State Constitution, written notice is hereby given of the final form of the following House Bill, copies of which are attached hereto:

H.B. No. 1023, entitled:

"PROPOSING AN AMENDMENT TO ARTICLE V, SECTION 1, OF THE HAWAII CONSTITUTION, TO CHANGE THE AGE QUALIFICATION FOR THE OFFICES OF GOVERNOR AND LIEUTENANT GOVERNOR FROM THE AGE OF THIRTY YEARS TO THE AGE OF TWENTY-FIVE YEARS."

Said measure passed Third Reading in the Hawaii House of Representatives on this date.

Respectfully,

/s/ P. Mau Shimizu  
PATRICIA MAU-SHIMIZU  
Chief Clerk

Enclosure

CC: Carol Taniguchi, Clerk of the Senate  
Dwayne Yoshina, Chief Election Officer"