

FIFTIETH DAY

Tuesday, April 17, 2007

The House of Representatives of the Twenty-Fourth Legislature of the State of Hawaii, Regular Session of 2007, convened at 12:07 o'clock p.m., with Vice Speaker Karamatsu presiding.

The invocation was delivered in song by Mr. Roberto Santos, after which the Roll was called showing all members present with the exception of Representatives Hanohano and Sagum, who were excused.

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

GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 329 through 331) were received and announced by the Clerk:

Gov. Msg. No. 329, informing the House that on April 13, 2007, the following bill became law without her signature, pursuant to Section 16 of Article III of the State Constitution:

H.B. No. 1081, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC WORKS." (ACT 016)

"EXECUTIVE CHAMBERS
HONOLULU
April 14, 2007

The Honorable Calvin K.Y. Say, Speaker
and Members of the House of Representatives
Twenty-Fourth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear Mr. Speaker and Members of the House:

Re: House Bill No. 1081

On April 13, 2007, House Bill No. 1081, entitled "A Bill for an Act Relating to Public Works" became law without my signature, pursuant to Section 16 of Article III of the Constitution of the State of Hawaii.

This bill allows a joint labor-management committee established under the federal Labor Management Cooperation Act of 1978 to file a lawsuit against an employer who fails to pay the prevailing wage required by chapter 104, Hawaii Revised Statutes. This is Hawaii's law on Wages and Hours of Employees on Public Works. It covers laborers and mechanics working on a governmental construction project.

The Department of Labor and Industrial Relations currently conducts both complaint-generated and random routine investigations of public works projects for compliance with chapter 104. In addition, the Department's improved educational and outreach programs have decreased the number of violations. Thus, there is no demonstrable need for the enforcement of chapter 104 by labor-management committees. Lawsuits against certain contractors may delay existing public works projects and deter contractors from bidding on such projects, increasing potential costs to governmental contracting agencies and the taxpayers of the State.

Joint labor-management committees were created under the federal Labor Management Cooperation Act of 1978 to negotiate and resolve disputes between labor and management. This is a legitimate and important role for them to play. It is not wise to turn these committees into enforcement vehicles. This turns over to an outside party functions handled by the State under chapter 104, Hawaii

Revised Statutes, and may adversely impact the Department of Labor and Industrial Relations' ability to control the proper enforcement of State statutes.

For the foregoing reasons, I allowed House Bill No. 1081 to become law as Act 16 effective April 13, 2007 without my signature.

Sincerely,
/s/
LINDA LINGLE"

Gov. Msg. No. 330, informing the House that on April 16, 2007, the following bill was signed into law:

H.B. No. 1377, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE HAWAII HEALTH SYSTEMS CORPORATION." (ACT 17)

Gov. Msg. No. 331, informing the House that on April 16, 2007, the following bill was signed into law:

S.B. No. 1006, SD 1, entitled: "A BILL FOR AN ACT RELATING TO MORTGAGE BROKERS AND SOLICITORS." (ACT 018)

The following message from the Governor (Gov. Msg. No. 332) was announced by the Clerk and was received for possible consideration at a later date:

Gov. Msg. No. 332, transmitting H.B. No. 1672, without her approval and statement of objections relating to the measure as follows:

"EXECUTIVE CHAMBERS
HONOLULU
April 16, 2007

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 1672

Honorable Members
Twenty-Fourth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1672, entitled "A Bill for an Act Relating to Legislative Service Agencies."

This bill increases the maximum salary of the Deputy Auditor, the First Assistant to the Ombudsman, and the First Assistant to the Director of the Legislative Reference Bureau (LRB) from 87% to 92% of the pay of the Directors of these three organizations.

This will raise the maximum salary of the Deputy Auditor, the First Assistant to the Ombudsman, and the First Assistant to the Director of the Legislative Reference Bureau from \$90,514 to \$97,631 on July 1, 2007. This is the second significant pay increase for legislative attached agency personnel in two years.

This bill is objectionable because it increases the inequity in compensation levels for these three legislative agencies as compared to other positions in State government.

Under this bill, the Legislative Branch second-in-command positions will be allowed to earn more than the Directors of the Department of Hawaiian Home Lands (DHHL), the Department of Public Safety (PSD), the Department of Human Resources Development (DHRD), and the Chairperson of the Department of Agriculture (DOA). These Directors are responsible for millions of

dollars of public funds; hundreds and, in some cases, thousands of employees spread across the State; the stewardship for hundreds of thousands of acres of land held in trust for the native Hawaiian people; the survival of our agricultural sector; and the management of our prison system, which includes multiple facilities on four islands. Yet they are compensated less than a First Assistant in the Ombudsman's Office that supervises eight investigators, a First Assistant in the Legislative Reference Bureau that supervises nine individuals, and the Deputy Auditor responsible for fifteen personnel.

If the 2007 recommendations of the Commission on Salaries are adopted, this bill will raise the maximum salary of the Deputy Auditor, the First Assistant to the Ombudsman, and the First Assistant to the Director of the Legislative Reference Bureau (LRB) from \$90,514 to \$100,508 on July 1, 2007. The four Directors listed above would earn several thousand dollars less.

It should also be pointed out that a number of key positions in the Executive Branch with significant managerial and public policy responsibilities have not had compensation adjustments that allow the Administration to attract and retain personnel. These include, but are not limited to, the Public Utilities Commissioners (\$77,390), Executive Director of the Hawaii Public Housing Authority (\$79,590), Executive Director of the Hawaii Housing Finance and Development Corporation (\$79,590), and the Vice Director of Civil Defense (\$81,463). A full list of these positions is attached to this Statement of Objectives.

These positions have significant responsibilities, such as managing almost 6,000 public housing units, coordinating statewide responses to natural disasters, and setting tariffs and rates in complex utility cases.

This Administration introduced bills this year, House Bill No. 1367 and Senate Bill No. 1453, to de-link the salary levels for Executive Branch senior staff members who were adversely affected by Act 226 SLH 2005. Despite the inequity that existed prior to this legislative session due to Acts 226 and Acts 225 of 2005, the Legislature failed to pass the Administration's proposal that would have brought parity in pay for Executive Branch employees and recognized the importance of treating all State employees fairly and equitably.

For the foregoing reasons, I am returning House Bill No. 1672 without my approval.

Respectfully,
/s/
LINDA LINGLE
Governor of Hawaii"

EXECUTIVE BRANCH POSITIONS THAT ARE "LINKED" TO THE PAY OF EXECUTIVE DEPARTMENT HEADS, BUT THAT THE LEGISLATURE REFUSED TO DE-LINK SO THAT THESE POSITIONS MAY BE COMPENSATED MORE FAIRLY.
(2007 Legislature's Rejection of Administration-sponsored proposals, H.B. No. 1367/S.B. No. 1453 to increase Salaries of Key Executive Branch Positions)

HRG	Dept	Title	Current Salary (2006)	Act 226 2005	Maximum Salary
\$109-2	AGS	Stadium Manager	\$81,463.32	X	Not to Exceed 87% DHRD Director's Salary
\$109-2	AGS	Deputy Stadium Manager	\$69,243.82	X	Not to Exceed 85% Stadium Manager's Salary
\$128-3	DEF	Vice-Director of Civil Defense	\$81,463.32	X	Not to Exceed 87% DHRD Director's Salary
\$269-2(b)	BUF	PUC Commission Chair	\$81,463.32	X	Not to Exceed 87% DHRD Director's Salary
\$269-2(b)	BUF	Commissioner, PUC	\$77,390.15	X	Not to Exceed 95% of PUC Chair's Salary
\$269-2(b)	BUF	Commissioner, PUC	\$77,390.15	X	Not to Exceed 95% of PUC Chair's Salary
\$349-2(b)	HTH	Director (EOA)	\$64,608.84	X	Not to Exceed 69% DHRD Director's Salary
\$363-2(b)	DEF	Director, Office Of Veteran's Svcs.	\$64,608.84	X	Not to Exceed 69% DHRD Director's Salary
\$353-63	PSD	Chairman, HPA	\$81,463.32	X	Not to Exceed 87% PSD Director's Salary
\$371-4(a)	LBR	Chairperson, LIRAB	\$85,989.06	X	Not to Exceed 87% of DLIR's Director's Salary
\$371-4(a)	LBR	Member Appeals Board, LIRAB	\$81,689.61	X	Not to Exceed 95% of LIRAB's Salary
\$371-4(a)	LBR	Member Appeals Board, LIRAB	\$81,689.61	X	Not to Exceed 95% of LIRAB's Salary
\$412-2-100(b)	CCA	Commissioner Fin Institutions	\$95,716.80	X	Not to Exceed 100% of the DCCA's Deputy Director's salary
\$89-5(d)	LBR	Chairman/Member (HLRB)	\$85,989.06	X	Not to Exceed 87% of the DLIR Director's Salary
\$89-5(d)	LBR	Member (HLRB)	\$81,689.61	X	Not to Exceed 95% of the HLRB Chair's Salary
\$89-5(d)	LBR	Member (HLRB)	\$81,689.61	X	Not to Exceed 95% of the HLRB Chair's Salary
\$431-2-103	CCA	Insurance Commissioner	\$90,931.00		Not to Exceed the salary of the DCCA 1 st Deputy Director

EXECUTIVE BRANCH POSITIONS THAT ARE "LINKED" TO THE PAY OF EXECUTIVE DEPARTMENT HEADS, BUT THAT THE LEGISLATURE REFUSED TO DE-LINK SO THAT THESE POSITIONS MAY BE COMPENSATED MORE FAIRLY.
(2007 Legislature's Rejection of Administration-sponsored proposals, H.B. No. 1367/S.B. No. 1453 to increase Salaries of Key Executive Branch Positions)

\$431-19-101 B	CCA	Captive Insurance Admr	\$70,776.00		Not to exceed 95% of the Insurance Commissioner's salary
\$371K-2(b)	LBR	Exec. Director, Office-Community Services	\$85,989.06		Not to exceed level of 2 nd Deputy Director level
\$201H-2(b)	BED	HHFDC Executive Director	\$79,590.00		Not to Exceed 85% of DHRD Director's salary
\$201H-2(b)	BED	HHFDC Executive Assistant	\$71,631.60		Not to Exceed 90% of HHFDC Executive Director Salary
\$366D-2(b)	HMS	Executive Director, HPHA	\$79,590.00		Not to Exceed 85% of DHRD Director's salary
\$366D-2(b)	HMS	Executive Assistant, HPHA	\$71,631.60		Not to Exceed 90% of HPHA Executive Director's Salary

The following message from the Governor (Gov. Msg. No. 333) was received and announced by the Clerk:

Gov. Msg. No. 333, dated April 16, 2007, transmitting the Department of Human Services' Report as required by Act 178, Section 162, SLH 2005 for the 2nd quarter of FY 07.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 827 through 829) were received and announced by the Clerk:

Sen. Com. No. 827, dated April 16, 2007, informing the House that the President has appointed as conferees on the part of the Senate, for consideration of amendments proposed by the Senate to the following House Bills:

90, H.D. 2, S.D. 2	Taniguchi, Chair; Baker, Co-Chair; Slom	902, H.D. 2, S.D. 3	Kokubun, Chair; Fukunaga/Baker, Co-Chairs; Tokuda, Slom
116, H.D. 2, S.D. 1	Taniguchi, Chair; Fukunaga, Co-Chair; Slom	928, H.D. 1, S.D. 2	Chun Oakland, Chair; Tsutsui, Co-Chair; Hooser, Hemmings
226, H.D. 2, S.D. 2	Menor, Chair; Baker, Co-Chair; Hooser, Trimble	1001, H.D. 2, S.D. 2	Taniguchi, Chair; Inouye/Baker, Co-Chairs; Slom
249, H.D. 1, S.D. 2	Nishihara, Chair; Tokuda/Tsutsui, Co-Chairs; Kim, Trimble	1003, H.D. 3, S.D. 2	Menor, Chair; Sakamoto/Baker, Co-Chairs; Fukunaga, Trimble
250, H.D. 2, S.D. 2	Kokubun, Chair; English/Baker, Co-Chairs; Fukunaga, Slom	1004, H.D. 2, S.D. 1	Taniguchi, Chair; Baker, Co-Chair; Slom
257, H.D. 1, S.D. 1	Kokubun, Chair; Hee, Tokuda, Slom	1114, H.D. 2, S.D. 2	Kokubun, Chair; Baker, Co-Chair; English, Hee, Slom
260, S.D. 2	Kokubun, Chair; Tsutsui, Co-Chair; Tokuda, Slom	1200, H.D. 1, S.D. 2	Kokubun, Chair; Baker, Co-Chair; English, Hee, Tsutsui, Slom
275, H.D. 1, S.D. 2	Taniguchi, Chair; Hee, Co-Chair; Slom	1201, H.D. 1, S.D. 1	Kokubun, Chair; Baker, Co-Chair; English, Hee, Slom
334, H.D. 1, S.D. 1	Menor, Chair; Tsutsui, Co-Chair; Hooser, Trimble	1220, H.D. 1, S.D. 2	Kokubun, Chair; Tsutsui, Co-Chair; Tokuda, Slom
367, H.D. 1, S.D. 3	Ige, Chair; Sakamoto/Taniguchi/Baker, Co-Chairs; Slom	1221, H.D. 2, S.D. 2	Kokubun, Chair; Baker, Co-Chair; Tokuda, Slom
399, H.D. 1, S.D. 2	Kokubun, Chair; Tsutsui, Co-Chair; Tokuda, Slom	1270, H.D. 2, S.D. 2	Kokubun, Chair; Baker, Co-Chair; Tokuda, Slom
400, H.D. 1, S.D. 2	Kokubun, Chair; Tsutsui, Co-Chair; Tokuda, Slom	1283, H.D. 2, S.D. 2	Kokubun, Chair; Taniguchi/Baker, Co-Chairs; Fukunaga, Slom
402, H.D. 1, S.D. 2	Kokubun, Chair; Tsutsui, Co-Chair; Tokuda, Slom	1306, H.D. 2, S.D. 1	Taniguchi, Chair; Hee, Co-Chair; Slom
506, H.D. 1, S.D. 1	Menor, Chair; Fukunaga/Baker, Co-Chairs; Hooser, Trimble	1322, S.D. 1	Taniguchi, Chair; Baker, Co-Chair; Slom
507, H.D. 2, S.D. 1	Kokubun, Chair; Tsutsui, Co-Chair; Tokuda, Slom	1323, S.D. 1	Taniguchi, Chair; Baker, Co-Chair; Slom
639, H.D. 2, S.D. 1	Menor, Chair; Hooser, Trimble	1403, H.D. 2, S.D. 1	Espero, Chair; Tsutsui, Co-Chair; Nishihara, Whalen
652, H.D. 2, S.D. 2	Kokubun, Chair; Baker, Co-Chair; Hee, Tokuda, Slom	1516, H.D. 2, S.D. 2	Kokubun, Chair; Tsutsui, Co-Chair; Tokuda, Slom
667, H.D. 1, S.D. 2	Taniguchi, Chair; Baker, Co-Chair; Slom	1518, H.D. 1, S.D. 2	Taniguchi, Chair; Hee, Co-Chair; Sakamoto, Slom
718, S.D. 2	Kokubun, Chair; Baker, Co-Chair; Fukunaga, Slom	1628, H.D. 1, S.D. 1	Kokubun, Chair; Taniguchi, Co-Chair; Tokuda, Slom
791, H.D. 1, S.D. 1	Menor, Chair; Taniguchi, Co-Chair; Hooser, Trimble	1639, H.D. 2, S.D. 3	Kokubun, Chair; Fukunaga/Baker, Co-Chairs; Tokuda, Slom
835, H.D. 2, S.D. 1	Taniguchi, Chair; Baker, Co-Chair; Slom	1641, H.D. 2, S.D. 2	Menor, Chair; Taniguchi, Co-Chair; Hooser, Trimble
870, H.D. 1, S.D. 1	Menor, Chair; Tsutsui, Co-Chair; Hooser, Trimble	1646, H.D. 2, S.D. 1	Menor, Chair; Kokubun, Co-Chair; Hooser, Trimble
899, H.D. 1, S.D. 1	Menor, Chair; Kokubun/Baker, Co-Chairs; Hooser, Trimble	1787, H.D. 1, S.D. 2	Menor, Chair; Tsutsui, Co-Chair; Hooser, Trimble
		1848, H.D. 2, S.D. 2	Kokubun, Chair; Baker, Co-Chair; Tokuda, Slom
		1866, H.D. 3, S.D. 2	Taniguchi, Chair; Baker, Co-Chair; Slom
		1899, H.D. 2, S.D. 2	Tokuda, Chair; Baker/Kokubun, Co-Chairs; Hee, Slom

1950, H.D. 1, S.D. 2 Inouye, Chair; Kokubun/Taniguchi, Co-Chairs; Tokuda, Tsutsui, Hemmings

Sen. Com. No. 828, dated April 16, 2007, informing the House that the President has appointed as conferees on the part of the Senate, for consideration of amendments proposed by the House to the following Senate Bills:

871, S.D. 2, H.D. 2 Menor, Chair; Ige/Tsutsui, Co-Chairs; Hooser, Trimble

987, S.D. 1, H.D. 2 Menor, Chair; Kokubun/Inouye, Co-Chairs; Hooser, Trimble

992, S.D. 1, H.D. 2 Menor, Chair; Hooser, Trimble

994, S.D. 1, H.D. 1 Menor, Chair; Fukunaga, Co-Chair; Hooser, Trimble

1011, S.D. 1, H.D. 1 Taniguchi, Chair; Ihara, Gabbard

1017, H.D. 1 Taniguchi, Chair; Espero, Slom

1026, S.D. 2, H.D. 3 Menor, Chair; Baker, Co-Chair; Hooser, Gabbard

1066, S.D. 2, H.D. 2 Menor, Chair; Tsutsui, Co-Chair; Hooser, Trimble

1222, S.D. 3, H.D. 2 Menor, Chair; Fukunaga/Baker, Co-Chairs; Hooser, Trimble

1410, S.D. 1, H.D. 1 Taniguchi, Chair; Ihara, Slom

1612, S.D. 2, H.D. 2 Menor, Chair; Baker, Co-Chair; Hooser, Trimble

1704, S.D. 1, H.D. 1 Taniguchi, Chair; Espero, Slom

1718, H.D. 2 Menor, Chair; Tsutsui, Co-Chair; Hooser, Trimble

1803, S.D. 1, H.D. 1 Taniguchi, Chair; Hee, Co-Chair; Slom

1943, S.D. 2, H.D. 2 Menor, Chair; English/Kokubun, Co-Chairs; Hooser, Trimble

1947, S.D. 1, H.D. 1 Menor, Chair; Baker, Co-Chair; Hooser, Trimble

1988, S.D. 1, H.D. 2 Taniguchi, Chair; Espero, Slom

Sen. Com. No. 829, dated April 16, 2007, informing the House that the Senate has made the following changes to Senate Conferee assignments for the following bill:

H.B. No. 1171, Senator Hee replaced Senator Baker as
HD 1, SD 1 Chair.
Senator Baker added as a Co-Chair.

INTRODUCTIONS

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

Representative Carroll introduced veterans from the Island of Molokai, Mr. Larry Helm, Mr. Mac Poepoe, Mr. Jessie DuDoit, Mr. John Keohualoa and Mr. Earl Paleka.

Representative Bertram introduced Mr. Robert Santos, Hawaiian flute player who delivered today's invocation. Accompanying him was his brother, Mr. Carlos Santos; and friend, Ms. Airica White with her infant son, Richard White.

ORDER OF THE DAY

COMMITTEE REASSIGNMENTS

The following bill was re-referred to committee by the Speaker:

S.B.
No.

Re-referred to:

1676, Committee on Health, then to the Committee on
SD2, Consumer Protection & Commerce, then to the
HD1 Committee on Finance

ADJOURNMENT

At 12:14 o'clock p.m. on motion by Representative B. Oshiro, seconded by Representative Meyer and carried, the House of Representatives adjourned until 12:00 o'clock noon tomorrow, Wednesday, April 18, 2007. (Representatives Hanohano and Sagum were excused.)

HOUSE COMMUNICATIONS

House Communication dated April 17, 2007, from Patricia Mau-Shimizu, Chief Clerk of the House of Representatives, to the Honorable President and Members of the Senate, informing the Senate that the House has made the following changes to the conferees on the following measure:

H.B. No. 1830, Added Representative Mizuno as a member.
HD 2, SD 2

S.B. No. 1676, Added Representative Nakasone as Co-
SD 2, HD 1 Chair.

House Communication dated April 17, 2007, from Patricia Mau-Shimizu, Chief Clerk of the House of Representatives, to the Honorable President and Members of the Senate, informing the Senate that the House has made the following changes to the conferees on the following measure:

S.B. No. 679, Discharged Representative Herkes as Co-
HD 2, SD 2 Chair.
Added Representative McKelvey as a Co-
Chair.

S.B. No. 1614, Added Representative Shimabukuro as
SD 1, HD 1 member.

House Communication dated April 17, 2007, from Patricia Mau-Shimizu, Chief Clerk of the House of Representatives, to the Honorable President and Members of the Senate, informing the Senate that the Speaker has this day appointed as Conferees on the part of the House for consideration of amendments proposed by the House to the following Senate Bills:

1004, SD 2, HD 2 Green/Herkes, Co-Chrs.; Awana

1283, SD 2, HD 2 Chang/Green/M. Oshiro, Co-Chrs.; Ching

1665, HD 1 Waters, Chr.; B. Oshiro, Sonson, Ching

1792, SD 3, HD 3 Green/Nakasone, Co-Chrs.; Mizuno, Awana

"HOUSE OF REPRESENTATIVES
STATE OF HAWAII
STATE CAPITOL
HONOLULU, HAWAII 96813

April 17, 2007

Ms. Patricia Mau-Shimizu, Chief Clerk
House of Representatives
State of Hawaii
State Capitol, Room 027
Honolulu, Hawaii 96813

Ms. Carol Taniguchi, Chief Clerk
Senate
State of Hawaii
State Capitol, Room 010
Honolulu, Hawaii 96813

Dear Ms. Mau-Shimizu and Ms. Taniguchi:

This is to inform you that we authorize an exception to section 9.d of the joint Senate-House conference procedures with respect to House action on Senate amendments to the following:

- (1) House Bill No. 1414, H.D. 1, S.D. 2, making an emergency appropriation for department of taxation county surcharge implementation costs; and
- (2) House Bill No. 1818, H.D. 2, S.D.1, relating to government employees.

Under section 9.d, the House conferees on the bills would have been required to formally meet and vote to approve the Senate amendments before sending the bills to the full House.

To expedite the approval of both bills, we authorize the Speaker to discharge the House conferees on the bills and then provide for a House vote on the bills.

This exception is being made pursuant to section 13 of the joint Senate-House conference procedures.

/s/ _____
Senator Colleen Hanabusa
President

/s/ _____
Representative Calvin K.Y. Say
Speaker

4/17/07
Date

4/17/07
Date"