### SIXTEENTH DAY

# Friday, February 8, 2008

The House of Representatives of the Twenty-Fourth Legislature of the State of Hawaii, Regular Session of 2008, convened at 12:08 o'clock p.m., with Vice Speaker Chong presiding.

The invocation was delivered by Reverend David Baumgart Turner of United Church of Christ, after which the Roll was called showing all members present with the exception of Representatives Awana, Manahan, McKelvey, Nakasone, Takai and Takamine, who were excused.

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

### GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 253 through 256) were received and announced by the Clerk and were placed on file:

Gov. Msg. No. 253, dated January 29, 2008, transmitting the Department of Budget and Finance's report on the accounts or funds that were administratively established in accordance with Act 178, SLH 2002.

Gov. Msg. No. 254, dated January 31, 2008, transmitting the 2007 Annual Report of the Hawaii Strategic Development Corporation.

Gov. Msg. No. 255, dated January 29, 2008, transmitting the State Facilities Energy Management Advisory Committee Report.

Gov. Msg. No. 256, dated January 25, 2008, transmitting the Lead by Example FY 2006-2007 State of Hawaii Agencies' Energy Initiatives.

### SENATE COMMUNICATION

The following communication from the Senate (Sen. Com. No. 7) was received and announced by the Clerk:

Sen. Com. No. 7, transmitting S.B. No. 2292, entitled: "A BILL FOR AN ACT RELATING TO AUTOMATED TELLER MACHINES," which passed Third Reading in the Senate on February 7, 2008.

On motion by Representative B. Oshiro seconded by Representative Meyer and carried, the following Senate bill passed First Reading by title and further action was deferred: (Representatives Awana, Manahan, McKelvey, Nakasone, Takai, Takamine and Tokioka were excused.)

S.B. No. 2292

### INTRODUCTIONS

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

Representative Finnegan introduced National Football League Environmental Program Coordinator, Mr. Jack Groh, and Project Director, Mrs. Susan Groh.

Representative Ching introduced Mr. Mike McCartney, Executive Director of the Hawaii State Teachers Association, accompanied by members of HSTA.

Representative Pine introduced Mr. Edmund Aczon of the Carpenters' Union.

### ORDER OF THE DAY

# COMMITTEE ASSIGNMENTS

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

<u>H.R.</u> Nos.

55 Committee on Health, then to the Committee on Consumer Protection & Commerce

- 56 Committee on Consumer Protection & Commerce
- 57 Committee on Consumer Protection & Commerce, then to the Committee on Finance

# H.C.R.

Nos. Referred to:

**Referred to:** 

- 64 Committee on Health, then to the Committee on Consumer Protection & Commerce
- 65 Committee on Consumer Protection & Commerce, then to the Committee on Finance
- 66 Committee on Consumer Protection & Commerce

# COMMITTEE REASSIGNMENTS

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

# <u>H.B.</u>

#### Nos. <u>Re-referred to:</u>

- 1974, Committee on International Affairs, then to the HD1 Committee on Tourism & Culture
- 1975, Jointly to the Committee on International Affairs and theHD1 Committee on Legislative Management, then to theCommittee on Finance
- 2354 Jointly to the Committee on Water, Land, Ocean Resources & Hawaiian Affairs and the Committee on Agriculture, then to the Committee on Finance
- 2509 Committee on Energy & Environmental Protection, then to the Committee on Finance
- 2540 Committee on Finance
- 2672 Committee on Labor & Public Employment, then to the Committee on Finance
- 2966 Committee on Finance
- 3047 Committee on Transportation, then to the Committee on Judiciary, then to the Committee on Finance
- 3048 Committee on Transportation, then to the Committee on Judiciary, then to the Committee on Finance

# 3106 Committee on Health, then to the Committee on Consumer Protection & Commerce

3348, Committee on Tourism & Culture, then to the Committee HD1 on Finance

# STANDING COMMITTEE REPORTS

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 221-08) recommending that H.B. No. 2794, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2794, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative B. Oshiro.

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

"Thank you Mr. Speaker, I am for this measure, but would like to express a reservation. I think it's fine to allow non-profits to float special purpose revenue bonds to help charter schools. However, let it not be forgotten that the State, the Department of Education and the Legislature have an obligation to ensure good facilities for all public schools and that includes all charter schools. Thank you."

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

"I would just like to register some reservations. I think there are some technical problems with the bill, with the revenue bonds. Charter schools don't raise revenue. Their revenue is what is paid per student by the DOE, so I think there are some technical problems."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2794, HD 1, entitled: "A BILL FOR AN ACT PROPOSING AMENDMENTS TO THE HAWAII CONSTITUTION RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS," passed Second Reading and was referred to the Committee on Judiciary with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Chang, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 222-08) recommending that H.B. No. 2043, HD 1, be referred to the Committee on Finance.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2043, HD 1, be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Evans 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. 2043, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHER EDUCATION BOARD ALLOWANCE FOR FORMER FOSTER YOUTH," was referred to the Committee on Finance with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Chang, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 223-08) recommending that H.B. No. 2978, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2978, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was

referred to the Committee on Finance with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Chang, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 224-08) recommending that H.B. No. 3436, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3436, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Second Reading and was referred to the Committee on Finance with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representatives Chang and Green, for the Committee on Higher Education and the Committee on Health presented a report (Stand. Com. Rep. No. 225-08) recommending that H.B. No. 2165, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2165, entitled: "A BILL FOR AN ACT RELATING TO NURSING," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representatives Chang and Green, for the Committee on Higher Education and the Committee on Health presented a report (Stand. Com. Rep. No. 226-08) recommending that H.B. No. 2164, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2164, entitled: "A BILL FOR AN ACT RELATING TO THE CANCER RESEARCH SPECIAL FUND," passed Second Reading and was referred to the Committee on Finance with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representatives Chang and Green, for the Committee on Higher Education and the Committee on Health presented a report (Stand. Com. Rep. No. 227-08) recommending that H.B. No. 2706, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2706, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII SYSTEM," passed Second Reading and was referred to the Committee on Finance with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Yamashita, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 228-08) recommending that H.B. No. 3052, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3052, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TOBACCO," passed Second Reading and was referred to the Committee on Judiciary with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Green, for the Committee on Health presented a report (Stand. Com. Rep. No. 229-08) recommending that H.B. No.

2915, pass Second Reading and be referred to the Committee on Higher Education.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2915, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR EDUCATIONAL PROGRAM PREPARING CANDIDATES FOR NURSES LICENSING EXAMINATIONS IN HAWAII," passed Second Reading and was referred to the Committee on Higher Education with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representatives Green and Shimabukuro, for the Committee on Health and the Committee on Human Services & Housing presented a report (Stand. Com. Rep. No. 230-08) recommending that H.B. No. 3352, as amended in HD 1, pass Second Reading and be referred to the Committee on Legislative Management.

Representative Caldwell moved that the report of the Committees be adopted, and that H.B. No. 3352, HD 1, pass Second Reading and be referred to the Committee on Legislative Management, seconded by Representative B. Oshiro.

Representative Rhoads rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

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

"I would like to register a vote with reservations and offer some comments. I'd just like to point out to Members of the House that if you look at the Committee Report, there were no 'ayes' on this, and there are serious reservations concerning this audit which would look specifically at one agency that is still in the process of judicial proceedings. And just to point out to Members again, that this was a measure that was taken up and was very contentious at the end of the last Session, and that there are some serious concerns about an audit to target one specific agency.

"One suggestion as it moves forward is maybe, if a concern of this body is with regard to the individuals who are serviced by this agency and other agencies, that the audit be expanded to look at the ways in which the agencies work together and advocate for the children who are the subject of their responsibilities. Thank you, Mr. Speaker."

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

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

Representative Ward rose in support of the measure with reservations, and asked that the remarks of Representative Belatti be entered in the Journal as his 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 Committees was adopted and H.B. No. 3352, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AN AUDIT OF THE HAWAII DISABILITY RIGHTS CENTER," passed Second Reading and was referred to the Committee on Legislative Management with Representative Rhoads voting no, and with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 231-08) recommending that H.B. No. 2343, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2343, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC VIOLATIONS," passed Second Reading and was referred to the Committee on Judiciary with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Sonson, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 232-08) recommending that H.B. No. 2929, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2929, HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative B. Oshiro.

Representative Marumoto rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

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

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

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

Representative Ward rose and asked that the Clerk record an aye vote with reservations for him, 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. 2929, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce with Representative Marumoto voting no, and with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Sonson, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 233-08) recommending that H.B. No. 2407, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2407, HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative B. Oshiro.

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

"Id like to register a vote with reservations as well. In the Committee there was quite a little bit of testimony against this bill. I think they have to have more collaboration on this than this bill offers."

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

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

"Thank you very much, Mr. Speaker. Just a couple of words in support of this wonderful measure. This measure will ensure that we have fairness in the market in insurance premiums. What's been happening is that these organizations that hire temporary workers and assign them to job sites or other employers where they're going to work, they are not being classified fairly. Essentially a person that could be classified as a secretary would be climbing a roof top and installing some tiles when they are assigned to a construction jobsite.

"This measure is to ensure that for workers' compensation purposes, although these individuals are technically hired by a temporary agency, people like Altres Staffing for example, when they are assigned to ABC Construction they will be reclassified to be a construction worker so that when the premiums are set, it's based upon that employer, not the employer that takes care of the human resources management type of activities. That's all we're doing. We just want to make sure that the market place is fair. 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. 2407, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Sonson, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 234-08) recommending that H.B. No. 2575, as amended in HD 1, pass Second Reading and be referred to the Committee on Human Services & Housing.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2575, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LANGUAGE ACCESS," passed Second Reading and was referred to the Committee on Human Services & Housing with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Sonson, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 235-08) recommending that H.B. No. 3169, pass Second Reading and be referred to the Committee on Economic Development & Business Concerns.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3169, entitled: "A BILL FOR AN ACT RELATING TO LIFELONG LEARNING ACCOUNTS," passed Second Reading and was referred to the Committee on Economic Development & Business Concerns with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused. Representatives Tsuji and Morita, for the Committee on Agriculture and the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 236-08) recommending that H.B. No. 3033, pass Second Reading and be referred to the Committee on Transportation.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 3033, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL INSPECTION," passed Second Reading and was referred to the Committee on Transportation with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representatives Tsuji and Ito, for the Committee on Agriculture and the Committee on Water, Land, Ocean Resources & Hawaiian Affairs presented a report (Stand. Com. Rep. No. 237-08) recommending that H.B. No. 2292, pass Second Reading and be referred to the Committee on Finance.

Representative Caldwell moved that the report of the Committees be adopted, and that H.B. No. 2292, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. Mr. Speaker I'm going to cast a very serious reservations vote on Standing Committee Report No. 237 and this is relating to the Galbraith Estate Lands. Mr. Speaker, my concern is the liability issues that really need to be looked at very carefully, and the cost to the State. And I know that it's going to Finance. I just think there needs to be a very hard look at that. Thank you."

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

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

"Mr. Speaker again, I am disclosing a potential conflict. My wife works at the Bank of Hawaii and they're the trustee for the Galbraith Lands. I also admitted yesterday the fact that a number of my law partners are shareholders in the Galbraith Trust. Thank you," and the Chair ruled, "no conflict."

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 Committees was adopted and H.B. No. 2292, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading and was referred to the Committee on Finance with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representatives Tsuji and Ito, for the Committee on Agriculture and the Committee on Water, Land, Ocean Resources & Hawaiian Affairs presented a report (Stand. Com. Rep. No. 238-08) recommending that H.B. No. 2454, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2454, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Second Reading and was

referred to the Committee on Finance with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Tsuji, for the Committee on Agriculture presented a report (Stand. Com. Rep. No. 239-08) recommending that H.B. No. 2453, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2453, entitled: "A BILL FOR AN ACT RELATING TO TARO," passed Second Reading and was referred to the Committee on Finance with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Tsuji, for the Committee on Agriculture presented a report (Stand. Com. Rep. No. 240-08) recommending that H.B. No. 2501, as amended in HD 1, pass Second Reading and be referred to the Committee on Energy & Environmental Protection.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2501, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BIOSECURITY," passed Second Reading and was referred to the Committee on Energy & Environmental Protection with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Tsuji, for the Committee on Agriculture presented a report (Stand. Com. Rep. No. 241-08) recommending that H.B. No. 3309, as amended in HD 1, pass Second Reading and be referred to the Committee on Higher Education.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3309, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Second Reading and was referred to the Committee on Higher Education with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Shimabukuro, for the Committee on Human Services & Housing presented a report (Stand. Com. Rep. No. 242-08) recommending that H.B. No. 2128, pass Second Reading and be referred to the Committee on Judiciary.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2128, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. On Standing Committee Report No. 242-08, House Bill 2128, Relating to the Penal Code. I'm in support with reservations. As Chair of Public Safety, I'm just hoping that we see some language inserted in these bills where what we're doing is enhancing penalties to Class C felonies. I just want to make sure that we do a financial impact analysis on how it will impact the Department of Public Safety. 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. 2128, entitled: "A BILL FOR AN ACT RELATING TO THE PENAL CODE," passed Second Reading and was referred to the Committee on Judiciary with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Shimabukuro, for the Committee on Human Services & Housing presented a report (Stand. Com. Rep. No. 243-08) recommending that H.B. No. 2558, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary. On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2558, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD PROTECTION," passed Second Reading and was referred to the Committee on Judiciary with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 244-08) recommending that H.B. No. 1969, HD 1, be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1969, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," was referred to the Committee on Finance with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 245-08) recommending that H.B. No. 3080, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3080, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROPERTY OF PUBLIC UTILITIES," passed Second Reading and was referred to the Committee on Finance with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Green, for the Committee on Health presented a report (Stand. Com. Rep. No. 246-08) recommending that H.B. No. 2914, pass Second Reading and be referred to the Committee on Economic Development & Business Concerns.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2914, entitled: "A BILL FOR AN ACT RELATING TO SKILLED NURSING FACILITIES," passed Second Reading and was referred to the Committee on Economic Development & Business Concerns with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Green, for the Committee on Health presented a report (Stand. Com. Rep. No. 247-08) recommending that H.B. No. 3150, as amended in HD 1, pass Second Reading and be referred to the Committee on Energy & Environmental Protection.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3150, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EMERGENCY PLANNING AND COMMUNITY RIGHT-TO-KNOW ACT," passed Second Reading and was referred to the Committee on Energy & Environmental Protection with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Green, for the Committee on Health presented a report (Stand. Com. Rep. No. 248-08) recommending that H.B. No. 1598, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1598, HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I rise to cast a no vote on 248-08, Relating to Healthcare, and just a couple of comments. This bill gets us closer to what I know on a national level is being debated. And some in this body would like to see as an inevitable universal healthcare. We want everybody to have healthcare. That's why Hawaii has almost as seamless a system, whether you're close or you're far, or you're rich or you're poor. If you really want healthcare, you can get it. But I think this plan is pushing to the extent that it wants the universal healthcare to the extent that the government is going to end up doing what we haven't yet fully realized that the private sector can do.

"And I would only suggest that as we move in this direction with vehemence, or at least some do, that they take caution, that those systems that do exist, everybody will have universal healthcare, but the cost of it is the issue. Having access is easy, but paying for it and then having the ability to tolerate long lines and waiting for services is an entirely different issue. So healthcare yes, but in a way that is systematic. And rather than throw the baby out with the bath, let's work on the present system, and this one kind of points to the inevitable.

"We've already made up our minds and we're creeping up to it. If we having a budget shortage now, and we're concerned about the future, this bill is going to sneak up on us and really surprise us if we don't watch at the speed by which we're going down the slope. Thank you, Mr. Speaker."

Representative Evans rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

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

"Mr. Speaker, in support. This system has failed us – the health system has failed us that we currently live with. The reason to pass the universal healthcare bill is for planning purposes – for planning purposes, which is what House Bill 1598 does. It is to prepare us for the inevitability of a failed system. If we read today's paper, *West Hawaii Today*, and you'll find the same material presented on Saturday in the *Star-Bulletin*, you'll read the top headline, 'HMSA exempt from \$560 million over past 10 years.'

"Our predominant insurer on our backs has benefited from \$560 million in taxes from tax exempt status, while our providers which we hear over and over again, are feeling they're not being reimbursed enough. Our hospitals are in a crisis. HHSC is asking us for \$25.4 million for right now and over \$50 million in the upcoming months for the next budget cycle. We are in crisis. We can't rely on our insurers to take care of the situation any longer, that's why we have to plan. I'm going to continue to bring this up because soon your hospitals are going to close. Soon you're going to see people begging, begging to find a physician, because they can't find them because our current system just isn't cutting it. So when I asked to plan something, I think we should take it seriously.

"I do hope everyone will read this article. I'm going to read only the first paragraph: "Hawaii's largest health insurance provider dodged \$560 million in State taxes over the past 10 years. Even as the State safety net hospitals were shorted \$30.8 million contributing to their request this Session for an emergency tax paid bailout." Our system's failing us, we better do something fast. Thank you, Mr. Speaker."

Representative Ward rose to respond, stating:

"Brief rebuttal. The learned gentleman from the Big Island is correct. Government hospitals are failing. Private hospitals are actually in the black in the State at this particular time, which is pointing out to what inevitably is going to take place when the government takes over the hospital system we're going to get exactly what the gentleman from the Big Island just spoke about. Thank you, Mr. Speaker." Representative Bertram rose to speak in support of the measure, stating:

"Yes, I just need to rise in strong support of this measure. I think there's a lot of misinformation and misunderstanding about what's being proposed here. It's not a takeover of the hospitals. It's a takeover of the payment system and that's the problem that we're facing with all these various nonprofits, as well for-profit insurance companies, is that we need to move it over to single-payer system.

"What that does, it just says that we're going to take it over; we're going to make sure that everybody gets paid, but we're going to have to look at some middle person to do that for us. So it actually can encourage private hospitals. Private hospitals can thrive on this, but we need to take the profit and the money that is going to something else before it goes to the hospitals, and correct it and actually control it so that everybody pays into one, it doesn't get all spread out and it actually is much more efficient.

"A single payer system has proved to be a much better buy. It uses money more efficiently. And most importantly, it keeps people from being actually refused services or having services taken out because these companies can do that and say, 'Well, we can't take you because of pre-existing conditions,' and those types of things.

"So we're not even talking about universal in the sense of everybody getting it. We're making sure that everybody does get it and it's not being controlled by HMOs and nonprofits and others like that. But it needs to be just a very simple and easy system to understand, and single payer has proven itself that way. Thank you."

Representative Green rose to respond, stating:

"Mr. Speaker, with regards to the comments that were made earlier, the private hospitals are not in the black. They're horribly in the red. In testimony that was presented to us over and over again this Session in the Health Committee and in informational briefings, that the majority of the hospitals are deeply in the red. We're over \$150 million in the red for this coming fiscal year; \$150 million in the red. And the projections that came down from the federal government in the last 72 hours show that Queen's Hospital alone will lose an additional \$60 million just from Medicare cuts should they go in effect – \$60 million additional in the red.

"All of the hospitals, including their chief advocate, Rich Meyers have gone through this with us over and over again, that there is a reimbursement crisis and it's going to necessitate a massive State bailout unless we shift our attention to better reimbursements or a totally new approach. Thank you, Mr. Speaker."

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

"Mr. Speaker, in support with comments. I supported this bill in Committee mainly because I look at it as a compromise bill. We as a body, do not want to go into tort reform, medical tort reform, which is in my belief, contributing to a payment crisis because of defensive medicine.

"There's higher cost of medical care because doctors can't order a lot more procedures and tests to protect themselves. On the other hand, we as a body have elected to pay more for Medicaid providers. So what do they do? And I think that universal healthcare to decrease the cost of processing medical care is a solution. It's not a perfect solution, but I think it's something that we as body can chew on and probably favor, for most of us. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I'm rising in opposition to this measure. Just some of the things that came out in testimony were that the Hawaii Medical Association brought up the fact that there is an infinite demand for healthcare. And placing decisions in the hands of our government will not increase the effectiveness of healthcare. It will result in rationing, long delays, denial of necessary, but expensive therapies and procedures, and inhibit the development of new therapies and procedures. The Hawaii Medical Association noted that in wealthier countries, with a single payer system such as Canada, people come to the U.S. for services unavailable in their own country under the single payer system.

"And finally, the Hawaii Association of Health Plans, brought the fact up that financing a single payer system would require an additional 7 to 8 percent payroll taxes on all Hawaii employers. It would also encourage those who are uninsured and suffering from a catastrophic illness or injury on the Mainland to move back to Hawaii to get healthcare. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I stand in support. Thank you. By providing universal healthcare to our residents, we will save employers, hospitals and the State money by having the single payer system. Local service would be accessible to everyone and thus would reduce late stage emergency care for those that could not afford medical care. Moreover, universal healthcare will better address our shortage of physicians and nurses by placing the focus on the recruiting and keeping our doctors and nurses in Hawaii with better pay and a managed healthcare system to address local malpractice and frivolous claims. This viable single payer system will fortify healthcare in Hawaii.

"Currently, business owners are paying substantial amounts to provide mandated healthcare coverage for employees. However, a single payer system will reduce costs because it will be managed and regulated by single entity. And the power of purchasing medical supplies, services, and prescription drugs will give us the leverage to seek and obtain larger savings.

"Hawaii is the first state to have such bold legislation when we passed the Healthcare Act of 1974. Today we stand on the cusp of passing bold legislation, of providing universal healthcare for all of our residents. I believe Hawaii is ready for universal healthcare, therefore I ask all Members to support this measure. Thank you, Mr. Speaker."

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

"Thank you. I would like a no vote Mr. Speaker, and written comments, as well as some comments now. Thank you, Mr. Speaker. In my written comments I'll go through and rebut some things that have been said, but I'd like to also call attention to a couple other measures, other issues in regard to universal healthcare.

"In doing some of the research and looking at some of the other countries, for instance Australia for one; of course we remain openminded about how to improve healthcare. I asked an Australian, 'So what is it that happens over there, and do you have a medical malpractice liability insurance reform?' And his answer to me was 'Yes we do. We basically have to have it coupled with our universal healthcare.' For those of you who feel that your access to justice might be hindered because of medical tort reform in order to keep prices down, that may be a possibility for this.

"I would also like to say that there's a good percentage of people that buy supplemental insurance when you have universal healthcare. So those of us who are paying high insurance premiums right now, medical insurance premiums, could possibly get maybe less coverage, and on top of that needing to get supplemental insurance to get the same kind of insurance coverage that we're getting now. That could come into play as well. "And then in response to, 'This is a single payer system. They're not going to be making decisions.' Let's talk about who pays for some of our programs that government operates right now with regard to insurance. That would be Medicare, Medicaid and those types of things. And sometimes you hear from other people in the community that are under these programs, that some of the decisions made for Medicare and Medicaid are some of the most brutal decisions I guess. And is this the kind of federal system or state or government system that we want to entrust all of our insurance to?

"I understand that there are problems right now. I don't think that this is the way to go. In fact there's other opponents, like the Hawaii Medical Association, and like Healthcare Association of Hawaii. These weren't the suggestions, universal healthcare was not a suggestion of the taskforce that we participated in, that we paid money to participate in or created for healthcare. I will finish the rest of my remarks in written comments."

Representative Finnegan's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in strong opposition to H.B. 1598, H.D. 1 establishing an agency to operate a single-payer universal healthcare insurance system. Some argue that a universal healthcare system will save money, make medical service accessible to everyone, and be affordable.

"I submit an article that I wrote for Hawaii Business Magazine.

"Is Hawaii ready for Universal Health Care?" I do not believe that Universal Health Care is good for Hawaii's people. Although other states such as California, Maine and Vermont are considering forms of universal or near universal health care systems, we really need to consider the impacts of a universal system and how it will affect our state. The goals of health care are most commonly affordability, accessibility, and quality. It is extremely difficult to attain all three.

A Universal Health Care system is essentially health insurance for all. There is a misconception that this would mean "free" health insurance coverage. However, in life, nothing is free. Most of the burden will be shouldered by those who currently are employed or have insurance. Stories and data show that countries with universal health care tend to be highly taxed. Ironically, big government decision making often creates the same problems it was supposed to cure. Goals for attaining accessible, affordable, and quality health care tend to fall by the wayside.

Several countries such as Britain, Canada, Australia and Sweden provide universal health care. In these countries, studies show that individuals are unable to find family doctors, have a hard time receiving routine health care, and are placed on waiting lists for medical care. Some Canadians wait up to two months to get a Magnetic Resonance Imaging (MRI), Computed Tomography (CT), or angiogram. Thirty percent of Australians buy supplemental health insurance. Americans are a litigious society needing reform. In my opinion unrestricted lawsuits will never mix well with a Universal Health Care system.

The further we move away from personal responsibility for your health costs, the farther we get from containing health care costs. Hawaii's pre-paid health care system is not perfect, but I believe a universal health care system is too extreme. Focusing on wellness care and early intervention for insured and those depending on government's safety net, and encouraging more competition in the health insurance industry would yield better results.

"Thank you Mr. Speaker."

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

"I'm just going to vote with reservations. I do believe the intent and the desire of this bill is good-hearted. I'm just concerned about the overall impacts on our whole State budget and what it means for other social programs.

"I found the testimony from DCCA very compelling in that they did mention and show that many of the people who are uninsured in Hawaii do qualify currently for some type of government program. The Director recommended that perhaps we should look into improving those programs to include those people who fall through some type of a loophole that doesn't allow them to be insured, instead of dramatically changing our whole healthcare system in Hawaii. I'm still listening, but I'm just not quite convinced it's the right way to go."

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

"Mr. Speaker, I am in opposition to this measure. I will simply point out that there are many opponents to this measure and testifying against this bill was the Department of Commerce and Consumer Affairs, the Department of Budget and Finance, the Hawaii Medical Association, the Healthcare Association of Hawaii and the Hawaii Association of Health Plans, which are all our health insurance companies. Thank you."

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

"Mr. Speaker, I have reservations. I know I'll be hearing this in the Consumer Protection Committee, but I am concerned about the measure. Thank you."

Representative Ching rose in opposition to the measure and asked that the remarks of Representative Finnegan 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. 1598, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTHCARE," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce with Representatives Ching, Evans, Finnegan, Marumoto, Meyer and Ward voting no, and with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representatives Shimabukuro and Green, for the Committee on Human Services & Housing and the Committee on Health presented a report (Stand. Com. Rep. No. 249-08) recommending that H.B. No. 2447, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2447, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PSYCHOTROPIC MEDICATION," passed Second Reading and was referred to the Committee on Finance with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representatives Shimabukuro and Green, for the Committee on Human Services & Housing and the Committee on Health presented a report (Stand. Com. Rep. No. 250-08) recommending that H.B. No. 2334, pass Second Reading and be referred to the Committee on Judiciary.

Representative Caldwell moved that the report of the Committees be adopted, and that H.B. No. 2334, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I am in support with reservations on 250-08. This bill will require mandatory sentencing, and I just want to say like I did before that it will have an impact on the Department of Public Safety, our jails, and our whole system. I'd like to see a financial impact analysis of that. Thank you."

Representative Bertram rose and asked that the Clerk record a no vote for him, 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:

"Thank you, Mr. Speaker. I rise in strong support of H.B. 2334 which establishes mandatory minimum prison terms for certain offenses against pregnant women.

"I reflect back on my two pregnancies and cannot comprehend the thought of losing a child to a violent act. We hear too many stories of pregnant women being punched, kicked, or stabbed and sometimes killed. In California, a judge sentenced Scott Peterson to die by lethal injection for killing his wife Laci and their unborn child. Locally, Tyrone Vesperas is facing charges for stabbing his wife who was nine months pregnant in the stomach and for the death of his son Tyran Vesperas-Saniatan who was 14 years old.

"A child in utero is a life and not to respect it as such is inhumane. As a mother, I've felt my children in my body growing and moving. The relationship between mother and child does not start upon birth, but at the time of knowing and loving your child. For some, it is even before the pregnancy test shows positive.

"Although no one can replace the life of a child, it is comforting to know that we respect it by offering some form of legal justice for his or her lost life. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and H.B. No. 2334, entitled: "A BILL FOR AN ACT RELATING TO CRIME," passed Second Reading and was referred to the Committee on Judiciary with Representative Bertram voting no, and with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Green, for the Committee on Health presented a report (Stand. Com. Rep. No. 251-08) recommending that H.B. No. 3157, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3157, HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative B. Oshiro.

Representative Rhoads rose and asked that the Clerk record a no vote for him, 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. 3157, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DIRECT PAYMENT TO PROVIDERS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce with Representative Rhoads voting no, and with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Green, for the Committee on Health presented a report (Stand. Com. Rep. No. 252-08) recommending that H.B. No. 2796, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2796, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 253-08) recommending that H.B. No. 2434, as amended in HD 1, pass Second Reading and be referred to the Committee on Economic Development & Business Concerns.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2434, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL PROTECTION," passed Second Reading and was referred to the Committee on Economic Development & Business Concerns with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 254-08) recommending that H.B. No. 2506, as amended in HD 1, pass Second Reading and be referred to the Committee on Legislative Management.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2506, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REORGANIZATION OF STATE AGENCIES," passed Second Reading and was referred to the Committee on Legislative Management with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 255-08) recommending that H.B. No. 3068, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3068, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 256-08) recommending that H.B. No. 3069, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3069, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY RESOURCES," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 257-08) recommending that H.B. No. 3070, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

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

was adopted and H.B. No. 3070, entitled: "A BILL FOR AN ACT RELATING TO ENERGY EMERGENCY PREPAREDNESS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 258-08) recommending that H.B. No. 2367, as amended in HD 1, pass Second Reading and be referred to the Committee on Labor & Public Employment.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2367, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Labor & Public Employment with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 259-08) recommending that H.B. No. 3221, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3221, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 260-08) recommending that H.B. No. 2186, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2186, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Judiciary with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Green, for the Committee on Health presented a report (Stand. Com. Rep. No. 261-08) recommending that H.B. No. 3158, pass Second Reading and be referred to the Committee on Judiciary.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3158, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I'd like to ask a ruling on a potential conflict for Standing Committee Report No. 261-08. At my law firm, I represent HHSC," 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. 3158, entitled: "A BILL FOR AN ACT RELATING TO HAWAII HEALTH SYSTEMS CORPORATION BACKGROUND CHECKS," passed Second Reading and was referred to the Committee on Judiciary with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Green, for the Committee on Health presented a report (Stand. Com. Rep. No. 262-08) recommending that H.B. No.

2727, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2727, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Green, for the Committee on Health presented a report (Stand. Com. Rep. No. 263-08) recommending that H.B. No. 2438, as amended in HD 1, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2438, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CIGARETTES," passed Second Reading and was referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Ito, for the Committee on Water, Land, Ocean Resources & Hawaiian Affairs presented a report (Stand. Com. Rep. No. 264-08) recommending that H.B. No. 2917, as amended in HD 1, pass Second Reading and be referred to the Committee on Transportation.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2917, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HARBORS," passed Second Reading and was referred to the Committee on Transportation with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Ito, for the Committee on Water, Land, Ocean Resources & Hawaiian Affairs presented a report (Stand. Com. Rep. No. 265-08) recommending that H.B. No. 3171, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce and the Committee on Judiciary.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3171, entitled: "A BILL FOR AN ACT RELATING TO THE LAND COURT SYSTEM," passed Second Reading and was referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Ito, for the Committee on Water, Land, Ocean Resources & Hawaiian Affairs presented a report (Stand. Com. Rep. No. 266-08) recommending that H.B. No. 2302, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce and the Committee on Judiciary.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2302, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY," passed Second Reading and was referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Ito, for the Committee on Water, Land, Ocean Resources & Hawaiian Affairs presented a report (Stand. Com. Rep.

No. 267-08) recommending that H.B. No. 3022, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3022, entitled: "A BILL FOR AN ACT PROPOSING AMENDMENTS TO ARTICLE VII, SECTIONS 12 AND 13, OF THE CONSTITUTION OF THE STATE OF HAWAII RELATING TO TAX INCREMENT BONDS," passed Second Reading and was referred to the Committee on Judiciary with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Ito, for the Committee on Water, Land, Ocean Resources & Hawaiian Affairs presented a report (Stand. Com. Rep. No. 268-08) recommending that H.B. No. 2823, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2823, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I would like to cast a no vote on Standing Committee Report No. 268, House Bill 2823, relating to capping liability for dam and reservoir owners. Thank you, Mr. Speaker. I think it's a disincentive for the dam owners and the owners of the waterways. It's a disincentive for them to keep those systems in good repair if we cap their liability. I think it's the wrong thing to do and I wish Members would look at that pretty carefully. Thank you."

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

"On Standing Committee Report 268-08, I'd like to register a no vote on that measure. I just wanted to note that the passage of this kind of legislation will have devastating effects on the plaintiffs and victims' families on the Koloko case by removing liability."

Representative Saiki rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Belatti 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 an aye vote with reservations for her, and the Chair "so ordered."

Representative Berg rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

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

"Thank you, Mr. Speaker. I'd like to register a vote with reservations on Stand. Com. Report 268 and 269, but I wanted to talk a little bit about 268, Relating to Dam Safety. It's just that in the agriculture area, we're looking for diversified ag. These many dams that are now privately owned, had previously been owned by the plantations are such a resource. If the liability is so great, some of these dams will be filled in and be eliminated because of the cost to the owners to insure themselves and all the claims that might be brought against them. Maybe there should be a cap or something, but we don't want to discourage people from maintaining these dams. If the liability is too high, they'll get rid of them. Thank you, Mr. Speaker."

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

"Thank you very much, Mr. Speaker. I'd like to stand in opposition to this dam bill, 268-08. On the surface it's usually very good. It looks like a good idea to limit liability on people that create things for the benefit of society, or the benefit of certain things in our community such as water. By allowing a bill such as this to go forward, or similar bills like this that limit liability on people that conduct things that are ultimately very dangerous, and capturing water is very dangerous.

"The purpose of having a liability upon these individuals who participate in this risky conduct, albeit there is benefit to it, to ensure that they take into consideration the damage that they will do if things fail. That has to be part of the business plan, if this is a business, if this is an entity that does something, that is capturing something that is dangerous to people, then they have to take into consideration what happens. If a dam breaks, it will release tons of water, and this water will have to go somewhere and essentially it may hit homes, farms, cars, you get the picture. These dangers and these risks must be balanced at the outset. If you remove the liability then ultimately you're saying, 'You know, it's not that risky. Go ahead. Make the dam not as strong as it could be, because it's too costly.' No, that's not what we want to promote. We want to promote safety.

"We want to promote activities that will be beneficial to the community and not damaging to the community in the long run as we have seen. If this is in response to what has happened in Kauai, I think this is the wrong way to go. We're sending the wrong message out. So I'm voting no, Mr. Speaker and I urge the Committee that's going to see this next, the Committee of Judiciary, to please take a look at this particular measure. Well, I'd rather they not take a look at the particular measure at 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. 2823, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DAM SAFETY," passed Second Reading and was referred to the Committee on Judiciary with Representatives Belatti, Berg, Morita, Saiki, Sonson and Thielen voting no, and with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Ito, for the Committee on Water, Land, Ocean Resources & Hawaiian Affairs presented a report (Stand. Com. Rep. No. 269-08) recommending that H.B. No. 3016, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3016, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative B. Oshiro.

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

"Id like a ruling on a potential conflict, Mr. Speaker, On Stand. Com. 269-08. My law firm is involved in a cause of action against Maui County involving the use of taser weapons," and the Chair ruled, "no conflict."

Representative Belatti continued in support of the measure with reservations, stating:

"With that, may I also please express some reservations on this measure? I would note that in the Committee Report it states that the Committee finds that electrical or tasers guns are useless in non-lethal alternatives.

"Id just like to point out that there are some serious concerns globally about the use of tasers. There's that very unfortunate incident in a Canadian airport where an elderly man was killed with the use of a taser. Amnesty International also raises very serious concerns of the use of the taser. So as this bill moves forward, I would just like the Committees to look at that carefully. Thank you."

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 the report of the Committee was adopted and H.B. No. 3016, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAW ENFORCEMENT," passed Second Reading and was referred to the Committee on Judiciary with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representatives Morita and Ito, for the Committee on Energy & Environmental Protection and the Committee on Water, Land, Ocean Resources & Hawaiian Affairs presented a report (Stand. Com. Rep. No. 270-08) recommending that H.B. No. 3445, as amended in HD 1, pass Second Reading and be referred jointly to the Committee on Agriculture and the Committee on Economic Development & Business Concerns.

Representative Caldwell moved that the report of the Committees be adopted, and that H.B. No. 3445, HD 1, pass Second Reading and be referred jointly to the Committee on Agriculture and the Committee on Economic Development & Business Concerns, seconded by Representative B. Oshiro.

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

"Yes Mr. Speaker, I have a potential conflict of interest. This concerns Standing Committee Report 270-08. I'm a member of the board of directors of the company that sells bottled water," and the Chair ruled, "no conflict."

Representative Souki continued in opposition to the measure, stating:

"And correspondingly, I wish to speak against this measure. I shall make it very short because I know it goes on to a further Committee. However this bill will again, increase the cost of doing business in Hawaii. It provides for royalties to the respective companies. It provides for moratoriums. I believe that we need to seriously look at the consequences of this particular bill.

"Now I am not against recycling. I think it's a very good thing. I think that there's other ways to do this other than make to some people profit from this measure. Thank you."

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

"Mr. Speaker, I'd like to speak on the bill relating to bottled water, Stand. Com. 270-08, and join with the Speaker Emeritus with reservations. It seems as though because of the law of the land, that anything under the surface of any piece of the property anywhere in the State belongs to the State, we've expended what otherwise is in the Constitution that all mineral rights belong to the State, whether it's geothermal, whether you have gold in your backyard, you have silver in your backyard, or whatever, oil etc., it belongs to the State. I think we've gone to the extreme now where even the water that you pull out belongs to the State.

"Mr. Speaker, I think this is a good point of deliberation of why in the future, if we want to change this, the Constitutional Convention is where this actually belongs, even though this is the beginning of the discussion. Because it's in the Constitution that everything below the surface belongs to the State of Hawaii. So by right, they're correct. But by principle, I think it's a bit going above and beyond what we should be doing which is sharing our resources with the people on top of the land. Thank you."

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

"Thank you, Mr. Speaker I'm rising in opposition to Stand. Com. 270. This bill was amended, but it then created this moratorium on the manufacture, production, processing and sale of bottled water originating from ground water sources in the State. There were a lot of different business entities that testified against the bill. This is an example of us passing a law that would put a lot people out of business, and I don't think that's something that we'd want to do. Thank you, Mr. Speaker."

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

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

"On Standing Committee Report 270-08, Relating to Water, in support. We have to remember that water is a public trust resource that is managed by the State for benefit of Hawaii's people. And basically right now, the bottled water companies take this affordable water, the water that our infrastructure has made affordable, and repackaged it for a profit. So I believe that the State, especially the people, in preserving the resources, are entitled to a royalty for this commodity. Thank you."

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 Committees was adopted and H.B. No. 3445, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WATER," passed Second Reading and was referred jointly to the Committee on Agriculture and the Committee on Economic Development & Business Concerns with Representatives Meyer and Souki voting no, and with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representatives Morita and Ito, for the Committee on Energy & Environmental Protection and the Committee on Water, Land, Ocean Resources & Hawaiian Affairs presented a report (Stand. Com. Rep. No. 271-08) recommending that H.B. No. 2862, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2862, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WIND ENERGY," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representatives Morita and Ito, for the Committee on Energy & Environmental Protection and the Committee on Water, Land, Ocean Resources & Hawaiian Affairs presented a report (Stand. Com. Rep. No. 272-08) recommending that H.B. No. 2863, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative Caldwell moved that the report of the Committees be adopted, and that H.B. No. 2863, HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative B. Oshiro. Representative Belatti rose to speak in support of the measure with reservations, stating:

"Thank you Mr. Speaker. I rise with reservations on Stand. Com. Report 272-08. Mr. Speaker, this measure would establish an expedited review and approval process for obtaining State and county permits for the siting, development, construction and operation of renewable energy facilities. I am one who stands in strong support of renewable energy and the building of these facilities, but I am concerned that this measure is not the way to go and I have four simple points to make.

"First, some would characterize the actions surrounding the Superferry as an attempt to get around and expedite the process of approving the Superferry. I don't think that we should be encouraging this kind of practice. If the process was good then, then they're good now.

"Second, the Committee reports that this measure would delegate authorities to the Department of Health for the issuance of air, water and ocean permits for various projects. The Committee Report goes on to say that this transfer would require significant changes to State laws. Excuse me, let me back up. At the federal level the US EPA delegates authority to the Department of Health for the issuance of State permits. What this measure does is run afoul of those federal laws that protect our air and water, by putting the responsibility in the hands of DBEDT's Director as its energy resources coordinator. That's very concerning to me.

"Third, Mr. Speaker, the Committee Report points out that there are other measures moving and are alive to address this issue of siting of renewable energy facilities and I urge that we look at those measures.

"Finally, Mr. Speaker, again the issue of empowering the Director of the Department of Business, Economic Development and Tourism, I would hope that as we move forward that we make sure that we are funding DBEDT as a way to get this issue of helping to facilitate renewable energies. Thank you, Mr. Speaker."

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

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

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

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and H.B. No. 2863, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representatives Morita and Ito, for the Committee on Energy & Environmental Protection and the Committee on Water, Land, Ocean Resources & Hawaiian Affairs presented a report (Stand. Com. Rep. No. 273-08) recommending that H.B. No. 2590, as amended in HD 1, pass Second Reading and be referred to the Committee on Economic Development & Business Concerns.

Representative Caldwell moved that the report of the Committees be adopted, and that H.B. No. 2590, HD 1, pass Second Reading and be referred to the Committee on Economic Development & Business Concerns, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I would like to register reservations on H.B. 2590, Stand. Com. Rep. 273. Being a member of the Sustainability Task Force and looking at the concerns listed in the Committee Report, I'm going to look forward to sitting on EDB and hearing how those concerns are addressed. 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 Committees was adopted and H.B. No. 2590, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SUSTAINABILITY," passed Second Reading and was referred to the Committee on Economic Development & Business Concerns with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Cabanilla, for the Committee on International Affairs presented a report (Stand. Com. Rep. No. 274-08) recommending that H.B. No. 3343, as amended in HD 1, pass Second Reading and be referred to the Committee on Tourism & Culture.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3343, HD 1, pass Second Reading and be referred to the Committee on Tourism & Culture, seconded by Representative B. Oshiro.

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:

"Thank you, Mr. Speaker. I rise in strong support of H.B. 3343, H.D. 1 designating the month of October as Filipino-American History Month in commemoration of the contributions of Filipino-Americans to Hawaii and the United States. I am very proud of my cultural background and heritage as a Filipina.

"As one of the largest ethnic populations in Hawaii, Filipinos and Filipino-Americans have made a lasting impression in the history of Hawaii and the United States. Designating October as Filipino-American History Month is a formal way and a targeted time for the Filipino community to reflect and share their culture with the people of Hawaii. 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. 3343, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FILIPINO-AMERICAN HISTORY MONTH," passed Second Reading and was referred to the Committee on Tourism & Culture with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 275-08) recommending that H.B. No. 2456, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2456, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was referred to the Committee on Finance with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Tsuji, for the Committee on Agriculture presented a report (Stand. Com. Rep. No. 276-08) recommending that H.B. No. 3034, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3034, entitled: "A BILL FOR AN ACT RELATING TO MILK," passed Second Reading and was referred to the Committee on Finance with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 277-08) recommending that H.B. No. 647, as amended in HD 1, be recommitted to the Committee on Energy & Environmental Protection.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 647, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," was recommitted to the Committee on Energy & Environmental Protection with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

Representative Green, for the Committee on Health presented a report (Stand. Com. Rep. No. 278-08) recommending that H.B. No. 2173, as amended in HD 1, be recommitted to the Committee on Health.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2173, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," was recommitted to the Committee on Health with Representatives Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai being excused.

# ADJOURNMENT

At 12:59 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, Monday, February 11, 2008. (Representatives Chang, Manahan, McKelvey, Nakasone, Takai, Tokioka and Wakai were excused.)