

## FIFTY-THIRD DAY

## Friday, April 24, 2009

The Senate of the Twenty-Fifth Legislature of the State of Hawai'i, Regular Session of 2009, convened at 11:39 a.m. with the President in the Chair.

The Divine Blessing was invoked by the Honorable Brickwood Galuteria, Hawai'i State Senate, after which the Roll was called showing all Senators present.

The President announced that she had read and approved the Journal of the Fifty-Second Day.

## MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 625 to 629) were read by the Clerk and were placed on file:

Gov. Msg. No. 625, informing the Senate that on April 23, 2009, the Governor signed into law House Bill No. 274 as Act 14, entitled: "RELATING TO PATRIOT DAY."

Gov. Msg. No. 626, informing the Senate that on April 23, 2009, the Governor signed into law House Bill No. 135 as Act 15, entitled: "RELATING TO THE STATE INSECT."

Gov. Msg. No. 627, informing the Senate that on April 23, 2009, the Governor signed into law Senate Bill No. 1055, H.D. 1 as Act 16, entitled: "RELATING TO HARBORS."

Gov. Msg. No. 628, informing the Senate that on April 23, 2009, the Governor signed into law House Bill No. 1537, H.D. 1 as Act 17, entitled: "RELATING TO AUTOMATED EXTERNAL DEFIBRILLATORS."

Gov. Msg. No. 629, informing the Senate that on April 23, 2009, the Governor allowed the following measure to become law without signature, which reads as follows:

House Bill No. 1186, H.D. 1 as Act 18, entitled: "RELATING TO HOUSING DEVELOPMENT."

"Dear Madam President and Members of the Senate:

Re: House Bill No. 1186 HD 1

On April 23, 2009, House Bill No. 1186, entitled 'A Bill for an Act Relating to Housing Development' became law without my signature, pursuant to Section 16 of Article III of the State Constitution.

The purpose of this bill is to eliminate the Hawaii Community Development Authority's ability to accept cash in lieu of a developer's reserved housing construction requirements, except in cases of a fractional unit resulting from the percentage requirement calculation.

The Lingle-Aiona Administration shares the Legislature's goal to increase affordable housing in Hawaii. However, this legislation will likely be counterproductive to that goal by eliminating the ability to leverage cash from private sources with public dollars to develop affordable housing for working families, singles, and seniors.

The cash in lieu option has been a successful tool in the Hawaii Community Development Authority's (HCDA) reserved housing program. It has allowed HCDA to work with other State agencies to develop hundreds of rental units throughout the Kakaako region for those who cannot afford market-rate housing.

The cash in lieu option has given HCDA the flexibility and control to develop the type and supply of affordable housing units responsive to the needs of the community. For example,

the monies collected through this option have been used to time construction to periods when bids are more competitive and prices are lower. Cash in lieu payments are also leveraged with other public and private resources, such as rental housing trust funds or Hula-Mae bonds, to build a larger number or different types of affordable housing units than the developer might be required or able to provide with only private funds.

In summary, policy makers should not view HCDA's cash in lieu option in a vacuum. Rather, this program should be viewed collectively with a variety of other statutory tools, administrative rules, and home financing programs that encourage the development of affordable housing. I would encourage the Legislature to reinstate this option in future years.

For the foregoing reasons, I allowed House Bill No. 1186 to become law as Act 18, effective April 23, 2009, without my signature.

Sincerely,

/s/ Linda Lingle  
LINDA LINGLE"

## HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 674 to 677) were read by the Clerk and were disposed of as follows:

Hse. Com. No. 674, returning S.C.R. No. 127, which was adopted by the House of Representatives on April 23, 2009, was placed on file.

At 11:43 a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:43 a.m.

Hse. Com. No. 675, returning S.C.R. No. 121, S.D. 1, as amended in H.D. 1, which was adopted by the House of Representatives on April 23, 2009, was placed on file.

By unanimous consent, action on S.C.R. No. 121, S.D. 1 (H.D. 1), entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII COLLEGE OF TROPICAL AGRICULTURE AND HUMAN RESOURCES, IN COOPERATION WITH THE DEPARTMENT OF AGRICULTURE, DEPARTMENT OF EDUCATION, AND THE HAWAII FARM BUREAU FEDERATION, TO CONVENE A WORKING GROUP OF STAKEHOLDERS TO CONSIDER THE FEASIBILITY OF ESTABLISHING A FARM TO SCHOOL PROGRAM IN HAWAII'S PUBLIC SCHOOLS," was deferred until Monday, April 27, 2009.

Hse. Com. No. 676, informing the Senate that on April 23, 2009, the House reconsidered its action taken on April 16, 2009, in disagreeing to the amendments proposed by the Senate to H.B. No. 1059, H.D. 2 (S.D. 1), was placed on file.

Hse. Com. No. 677, informing the Senate that the House has agreed to the amendments proposed by the Senate to H.B. No. 1414, H.D. 1, and H.B. No. 1414, H.D. 1, S.D. 1 passed Final Reading in the House of Representatives on April 23, 2009, was placed on file.

## CONFERENCE COMMITTEE REPORT

Senator Baker, for the Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House to S.B. No. 603, S.D. 1, presented a report (Conf. Com. Rep. No. 53) recommending that S.B. No. 603, S.D. 1, H.D. 1, as amended in C.D. 1, pass Final Reading.

In accordance with Article III, Section 15 of the Constitution of the State of Hawaii, action on Conf. Com. Rep. No. 53 and S.B. No. 603, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES," was deferred for a period of 48 hours.

#### ADJOURNMENT

At 11:46 a.m., on motion by Senator Sakamoto, seconded by Senator Slom and carried, the Senate adjourned until 11:30 a.m., Monday, April 27, 2009.

#### STANDING COMMITTEE REPORTS

Senator Baker, for the Committee on Commerce and Consumer Protection, presented a report (Stand. Com. Rep. No. 1481) recommending that the Senate advise and consent to the nomination of CYNTHIA M. MARTIN to the Cable Advisory Committee, in accordance with Gov. Msg. No. 562.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 1481 and Gov. Msg. No. 562 was deferred until Monday, April 27, 2009.

Senator Baker, for the Committee on Commerce and Consumer Protection, presented a report (Stand. Com. Rep. No. 1482) recommending that the Senate advise and consent to the nomination of GARRETT A. LAU to the Board of Pharmacy, in accordance with Gov. Msg. No. 569.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 1482 and Gov. Msg. No. 569 was deferred until Monday, April 27, 2009.

#### ORDER OF THE DAY

##### AGREE/DISAGREE

#### MATTERS DEFERRED FROM THURSDAY, APRIL 23, 2009

On motion by Senator Hee, seconded by Senator Espero and carried, the Senate agreed to the amendments proposed by the House to S.C.R. No. 72, and S.C.R. No. 72, H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE UNITED STATES DEPARTMENT OF AGRICULTURE AND THE UNITED STATES DEPARTMENT OF HOMELAND SECURITY TO COLLABORATE AND SHARE INFORMATION WITH THE DEPARTMENT OF AGRICULTURE TO PREVENT INVASIVE SPECIES FROM ENTERING THE STATE OF HAWAII," was placed on the calendar for Final Adoption on Monday, April 27, 2009.

At this time, the Chair made the following announcement:

"Re-referrals are made in accordance with Order of the Day and the Supplemental Order of the Day that may be distributed to your offices later this afternoon."

#### RE-REFERRAL OF A HOUSE CONCURRENT RESOLUTION

The Chair re-referred the following House concurrent resolution that was received:

H.C.R. No.	Re-referred to:
H.C.R. No. 171	Committee on Commerce and Consumer Protection

#### APPOINTMENT OF CONFEREES

H.B. No. 1809, H.D. 2 (S.D. 1):

The President appointed Senator Fukunaga as an additional manager on the part of the Senate at the conference to be held for the consideration of amendments proposed by the Senate to H.B. No. 1809, H.D. 2.

At this time, the Chair made the following announcement:

"The deadline for filing committee reports on amended House concurrent resolutions for adoption on Monday to meet the 2<sup>nd</sup> crossover deadline for resolutions is 6:00 p.m. tonight."