

## TWENTY-SECOND DAY

Tuesday, February 22, 2011

The Senate of the Twenty-Sixth Legislature of the State of Hawai'i, Regular Session of 2011, convened at 11:42 a.m. with the Vice President in the Chair.

The Roll was called showing all Senators present with the exception of Senators English, Espero, Gabbard, Galuteria, Taniguchi, and Tsutsui who were excused.

The Vice President announced that she had read and approved the Journal of the Twenty-First Day.

## MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 523 to 525) were read by the Clerk and were disposed of as follows:

Gov. Msg. No. 523, submitting for consideration and confirmation as the Public Utilities Commissioner, the nomination of HERMINA MORITA, term to expire June 30, 2014 (replaces Gov. Msg. No. 522), was referred to the Committee on Commerce and Consumer Protection.

Gov. Msg. No. 524, submitting for consideration and confirmation as the Director for the Office of Environmental Quality Control, the nomination of GARY HOOSER, term to expire June 30, 2011, was referred to the Committee on Energy and Environment.

Gov. Msg. No. 525, submitting for consideration and confirmation as the Director for the Office of Planning, the nomination of JESSE SOUKI, was referred to the Committee on Water, Land, and Housing.

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

The Senate reconvened at 11:44 a.m.

## HOUSE COMMUNICATION

The following communication from the House (Hse. Com. No. 10) was read by the Clerk and was disposed of as follows:

Hse. Com. No. 10, transmitting H.B. No. 1015, H.D. 1, which passed Third Reading in the House of Representatives on February 18, 2011, was placed on file.

On motion by Senator Ihara, seconded by Senator Slom and carried, H.B. No. 1015, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION OUT OF THE BROWNFIELDS CLEANUP REVOLVING LOAN FUND," passed First Reading by title and was referred jointly to the Committee on Energy and Environment and the Committee on Hawaiian Affairs, then to the Committee on Ways and Means.

## STANDING COMMITTEE REPORT

Senator Dela Cruz, for the Committee on Water, Land, and Housing, presented a report (Stand. Com. Rep. No. 445) recommending that the Senate advise and consent to the nomination of WILLIAM JOHNSON AILA, JR. as the Chairperson of the Board of Land and Natural Resources, in accordance with Gov. Msg. No. 517.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 445 and Gov. Msg. No. 517 was deferred until Wednesday, February 23, 2011.

Senator Hee requested that action on Stand. Com. Rep. No. 445 and Gov. Msg. No. 517 be deferred until Thursday, March 3, 2011.

By unanimous consent, action on Stand. Com. Rep. No. 445 and Gov. Msg. No. 517 was deferred until Thursday, March 3, 2011.

## ORDER OF THE DAY

## THIRD READING

H.B. No. 1077, H.D. 2:

Senator Hee moved that H.B. No. 1077, H.D. 2, having been read throughout, pass Third Reading, seconded by Senator Ige.

Senator Slom rose in opposition to the measure and said:

"This bill would increase the employment and training tax on all employers; and it is retroactive to January 1st of this year, has no cap on it and no finish. So, I'll be voting 'no'. Thank you."

Senator Ige rose in support of the measure and said:

"Madam President, I just wanted to remind members: Last year we fast-tracked a measure to support businesses and reduce the huge increase in unemployment insurance taxes that they were faced with as a result of the downturn in our economy. H.B. No. 1077 is really a housekeeping measure to fulfill that commitment. As you are aware, we allowed the department to allow the UI fund to go in deficit and borrowed money from the federal government to continue to make the uninsured payments. As a result of that, we need to be able to assess the interest amongst the businesses in order to repay the interest to the federal government. So, this is really part of the measure that we all supported last year to defer the unemployment insurance assessments against all businesses. I encourage all of my colleagues to vote in favor."

Senator Slom rose in rebuttal and said:

"Just a brief clarification and rebuttal to the clarification: The horrendous tax increase for all employers was still horrendous last year. It increases tremendously this year and will again increase tremendously next year. So, just to make it clear that businesses still are paying a tremendous amount for unemployment compensation and, to reiterate, only businesses. No employee ever pays for unemployment compensation. Thank you."

The motion was put by the Chair and carried, H.B. No. 1077, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY LAW," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 18. Noes, 1 (Slom). Excused, 6 (English, Espero, Gabbard, Galuteria, Taniguchi, Tsutsui).

At this time, the Chair made the following announcement:

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

## RE-REFERRAL OF SENATE BILLS

The Chair re-referred the following Senate bills that were introduced:

|              |                             |
|--------------|-----------------------------|
| S.B. No.:    | Re-referred to:             |
| S.B. No. 342 | Committee on Ways and Means |

S.B. No. 1395      Committee on Ways and Means

**ADJOURNMENT**

At 11:48 a.m., on motion by Senator Ihara, seconded by Senator Slom and carried, the Senate adjourned until 11:30 a.m., Wednesday, February 23, 2011.