TWENTY-THIRD DAY

Wednesday, February 23, 2011

The House of Representatives of the Twenty-Sixth Legislature of the State of Hawaii, Regular Session of 2011, convened at 12:10 o'clock p.m., with Vice Speaker Manahan presiding, after which the Roll was called showing all Members present with the exception of Representatives Carroll, M. Oshiro and Takai, who were excused.

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

GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 165 and 166) were received and announced by the Clerk and were placed on file:

Gov. Msg. No. 165, dated February 22, 2011, transmitting the Budget in Brief - Amendments to the FB 2011-2013 Executive Biennium Budget.

Gov. Msg. No. 166, dated February 22, 2011, transmitting proposed changes to the General Appropriations Act (H.B. No. 200) as follows:

"February 22, 2011

The Honorable Calvin K.Y. Say Speaker of the House of Representatives Twenty-Sixth State Legislature State Capitol Honolulu, Hawaii 96813

Dear Mr. Speaker:

Transmitted herewith are proposed changes to the General Appropriations Act (House Bill No. 200). Due to time constraints and in an effort to provide the Legislature with the information regarding the proposed requests in the most expeditious manner, this budget message is different in format to those submitted in the past.

All operating and capital improvement program (CIP) budget requests are listed by department on the attached forms, as indicated below, while proposed provisos are included as a separate attachment:

Operating Budget

- Form NA-B (Department Summary of Operating Adjustment Requests Abercrombie Administration)
- Form NA-A (Operating Adjustment Request Abercrombie Administration)

CIP Budget

- Form NA-S (Department Summary of Proposed CIP Lapses and New Requests Abercrombie Administration)
- Tables P and Q (Capital Project Details)
- Table R (Capital Project Information and Justification Sheet)

Overview

Two weeks into our Administration on December 20, 2010, we submitted a transition budget as a starting point. We asked all departments to identify the most broken parts of their agencies, to begin developing new working habits under new leadership and to implement new policies that make the best use of limited resources.

Our Administration's proposed amendments to the FB 2011-13 Executive Budget reflect our goal to move in a new direction during these difficult times. We must achieve three essential goals to secure Hawaii's future.

First, we will restore the functions of government beginning with the most basic public needs. Second, we will accelerate our economic recovery with immediate jobs and opportunities. And third, we will reorient our entire government toward the priorities outlined in the New Day plan by investing in human capital and building a sustainable economy.

The Operating Budget

For FB 2011-13, proposed budget amendments total \$490.8 million in FY 12 and \$237.8 million in FY 13 from all means of financing for operating costs. This represents an increase of 5% and 2%, respectively, over the FB 2011-13 Executive Budget. Of these amounts, the request for general funds is \$133.8 million in FY 12 and \$160.3 million in FY 13, resulting in increases of 2% and 3%, respectively.

The proposed general fund requests include:

- \$866,938 in FY 12 and \$831,136 in FY 13 for the Department of Accounting and General Services (DAGS) to include the restoration of data center operations, reapportionment, and centralized procurement.
- \$915,166 in FY 12 and FY 13 for the Department of the Attorney General's staffing costs.
- \$2,497,000 in FY 12 and \$2,312,000 in FY 13 for the Department of Business, Economic Development and Tourism (DBEDT) to support economic development through the Hawaii Film Office, restoration of the Business and Community Assistance Branch and additional Hawaii Small Business Innovation Research grants.
- \$6,781,209 in FY 12 and \$2,372,284 in FY 13 for the Department of Defense (DOD) for the restoration of the Office of Juvenile Justice and Delinquent Prevention, maintenance costs, and emergency management support.
- \$646,208 in FY 12 and \$22,310,169 in FY 13 for the Department of Education (DOE) to support student transportation, nursing services and the Charter Schools.
- \$1,638,033 in FY 12 and \$1,475,033 in FY 13 for the Office of the Governor to restore full-year funding.
- \$2,316,313 in FY 12 and \$2,305,313 in FY 13 for the Department of Health (DOH) for the Early Intervention Program and for program costs related to civil unions.
- \$10,062,264 in FY 12 and \$6,951,208 in FY 13 for the Department of Human Services (DHS), which includes funding for the Pre-School Open Doors Program and a new computer-based eligibility system for the MedQuest Division.
- \$2,112,861 in FY 12 and \$2,017,861 in FY 13 for the Department of Land and Natural Resources (DLNR) to provide additional program support for Conservation and Resource Enforcement and Historic Preservation and dam safety.
- \$10,000,000 in FY 12 and FY 13 for the University of Hawaii (UH) to support the community colleges, UH at Hilo and strategic outcome funding.

The following general fund requests address previously identified shortfalls which were not addressed in the FB 2011-13 Executive Budget but were included in the general fund financial plan:

- \$36,757,602 in FY 13 for pension accumulation and \$54,285,500 in FY 12 and FY 13 for health benefit costs.
- \$37,974,624 in FY 12 and FY 13 to maintain the current level of service for the Temporary Assistance to Needy Families (TANF)

Program and \$11,523,511 in FY 12 and FY 13 for benefit payments for the TANF and Temporary Assistance to Other Needy Families (TAONF) Programs.

\$13,200,000 in FY 12 and FY 13 (also \$13,200,000 in FY 12 and FY 13 in federal funds) for the Medicaid Program due to a recent court decision on benefits for Compact for Free Association clients.

Additionally, due to the rising costs of the Medicaid Program, my Administration is taking the difficult steps necessary to manage these costs which could easily spiral out of control. Consequently, I have proposed reductions of \$50 million (\$25 million in general funds and \$25 million in federal funds) in FY 12 and \$100 million (\$50 million in general funds and \$50 million in federal funds) in FY 13.

The Capital Improvements Program Budget

For the CIP budget, an additional amount of \$1,206.2 million in FY 12 and \$503.0 million in FY 13 has been recommended. This represents an increase of 249% and 103%, respectively, over the FB 2011-13 Executive Budget. Of these amounts, the request for general obligation (G.O.) bonds is \$81 9.8 million and \$247.8 million, respectively.

A central part of our economic strategy is a broad ranged series of capital improvement actions called the New Day Work Projects, which will immediately create jobs and inject dollars into the economy. This will benefit everyone.

We instructed all departments to look for projects that were ready to go and that could be completed in two years so that they could be prime movers in attacking the recession. The New Day Work Projects focus building on a vital infrastructure that will advance a sustainable economy built on the strength of our human capital as well.

The proposed G.O. bond requests provide:

- \$10,260,000 in FY 12 and \$5,900,000 in FY 13 for the Department of Agriculture for various irrigation system and watershed improvements.
- \$60,000,000 in FY 12 and \$30,000,000 in FY 13 for DAGS to provide maintenance and health and safety improvements for State facilities and Aloha Stadium, statewide energy conservation improvements, asbestos removal and renovation of the Kamamalu Building, and renovation of Washington Place.
- \$488,965,000 in FY 12 and \$98,000,000 in FY 13 for the Department of Budget and Finance to reauthorize prior year funding and authorize FB 2011-13 funding to support the State Educational Facilities Improvement (SEFI) special fund.
- \$37,830,000 in FY 12 and \$12,100,000 in FY 13 for DBEDT for the Rental Housing Trust Fund and a Senior Residence at Iwilei.
- \$8,060,000 in FY 12 and \$5,234,000 in FY 13 for DOD to support the renovation of Building 117 at Kalaeloa, renovation and improvements to Army Guard facilities and National Guard Armories, and Veteran's Cemetery improvements.
- \$98,000,000 in FY 12 and FY 13 for DOE for statewide improvements for electrical infrastructure, high school science facilities and noise and heat abatement; construction of new Ewa Makai Middle School and Keeau Middle School classroom building; fire safety improvements at McKinley High School; and new Kapolei II Elementary School. (Although these projects are funded by the SEFI special fund, the SEFI special fund is supported by G.O. bonds).
- \$16,250,000 in FY 12 and \$15,000,000 in FY 13 for the Department of Hawaiian Home Lands to support construction of water systems at Makuu, North Kona, and Honokowai, and the Papakolea sewer system.

- \$15,670,000 in FY 12 and \$35,300,000 in FY 13 for DHS for various improvements at Kuhio Park Terrace, Mayor Wright Homes, Palolo Valley Homes, Lanakila Homes, Hale Laulima and Puahala Homes.
- \$26,182,000 in FY 12 and \$1,303,000 in FY 13 for DOH for energy efficiency and improvements at the Hawaii State Hospital, Waimano Ridge and other DOH facilities.
- \$44,839,000 in FY 12 and \$15,667,000 in FY 13 for the Hawaii Health Systems Corporation for electronic medical records and various improvements.
- \$26,250,000 in FY 12 and \$26,300,000 in FY 13 for DLNR for rockfall and flood mitigation and improvements to State parks, boating and ocean recreation facilities, and forest and outdoor recreation facilities, statewide.
- \$5,500,000 in FY 12 and \$3,000,000 in FY 13 for the Department of Public Safety for renovations at correctional facilities, an exploratory well at Kulani Correctional Center, and planning for the orderly development of correctional facilities.
- \$80,000,000 in FY 12 for UH for systemwide capital renewal and deferred maintenance and the Leeward Community College's Education and Innovation Instructional Facility.

The General Fund Expenditure Ceiling

By law, general fund appropriations must comply with the expenditure ceiling requirements that are set forth in Section 9, Article VII of the Hawaii State Constitution and Section 37-92 of the Hawaii Revised Statutes.

At the aggregate level, including all branches of government, total proposed appropriations from the General Fund are within the expenditure ceilings for both FY 12 and FY 13.

For the Executive Branch, total proposed appropriations from the General Fund (which include the Executive Budget for FB 2011-13 and other specific appropriation measures to be submitted) exceed the appropriation ceiling by \$516.1 million (or 9.9%) in FY 12 and by \$121.2 million (or 2.1% in FY 13). The reasons for these excesses are due to the restoration of furlough savings adjustments and funds supplanted by the federal State Fiscal Stabilization Fund Program; increases in Medicaid, debt service, and fringe benefit costs; the new Administration's priority initiatives and restorations to meet operational requirements.

For Your Consideration

Our financial plan, our legislative proposals and this amended budget were developed in accordance with a number of key principles:

- It has to be fair with everyone contributing something.
- It has to be sensitive to the needs of those taxpayers with the least ability to pay.
- It has to create an infusion of support for the overall economy so we can continue to recover.

Your favorable consideration is requested for the attached budget items.

Your staff may contact the appropriate agency for additional information. Your understanding and assistance is appreciated.

Sincerely, /s/ Neil Abercrombie NEIL ABERCROMBIE Governor, State of Hawaii

Attachments

c: Honorable Marcus R. Oshiro"

"PROVISOS

Amend Part III to add a new subsection to read:

Economic Development

"SECTION XX. Provided that of the special fund appropriation for tourism (BED 113), the sum of \$6,000,000, or so much thereof as may be necessary for fiscal year 2011-2012, and the sum of \$6,000,000, or so much thereof as may be necessary for fiscal year 2012-2013, shall be transferred to the department of land and natural resources, parks administration and operations (LNR 806) for the operation and maintenance of state parks; and provided further that the sum of \$4,000,000, or so much thereof as may be necessary for fiscal year 2011-2012, and the sum of \$4,000,000, or so much thereof as may be necessary for fiscal year 2012-2013, shall be transferred to the department of accounting and general services, state foundation on culture and the arts (AGS 881) for promoting culture and the arts in Hawaii."

Amend Part III to read:

Transportation

"SECTION 10. Provided that of the special fund appropriation for harbors administration (TRN 395), the sum of \$34,175,330 or so much thereof as may be necessary for fiscal year 2011-2012 and the sum of \$34,175,330 or so much thereof as may be necessary for fiscal year 2012-2013 shall be expended for the following purposes:

<u>Purpose</u>	FY 2011-2012	FY 2012-2013
Interest and principal on general obligation bonds Interest and principal on	\$ 3,380,916	\$ 3,380,832
revenue bonds	[\$30,794,414] <u>\$31,622,923</u>	[\$30,794,498] <u>\$31,651,866;</u>

provided further that any unexpended funds shall lapse to the harbor special fund."

"SECTION 11. Provided that of the special fund appropriations for the highways division (TRN 501 - TRN 561), the following sums specified for special repair and maintenance projects in fiscal biennium 2011-2013 shall be expended for special repair and maintenance purposes only as follows:

Program I.D.	FY 2011-2012	FY 2012-2013
TRN 501	[\$11,520,549]	[\$11,520,549]
TRN 511	<u>\$20,700,000</u> [\$ 4,999,801]	\$36,443,000 [\$4,999,801]
TDN 521	\$ 9,500,000	\$16,500,000
TRN 531	[\$ 6,706,073] <u>\$12,000,000</u>	[\$ 6,706,073] <u>\$20,500,000</u>
TRN 561	[\$ 3,773,577] \$ 7,000,000	[\$ 3,773,577] \$12,000,000;
	Ψ 7,000,000	φ12,000,000,

provided further that any unexpended funds shall lapse to the state highway fund."

"SECTION 12. Provided that of the special fund appropriation for highways administration (TRN 595), the sum of \$52,811,133 or so much thereof as may be necessary for fiscal year 2011-2012 and the sum of \$51,622,774 or so much thereof as may be necessary for fiscal year 2012-2013 shall be expended for the following purposes:

<u>Purpose</u>	FY 2011-2012	FY 2012-2013
Interest and principal on general obligation bonds	\$ 8,166,474	\$ 4,820,206
Interest and principal on		
revenue bonds	[\$44,644,659]	[\$46,802,568]
	\$44.704.860	\$46,703,514:

provided that any unexpended funds shall lapse to the highway special fund."

Amend Part V to add two new subsections to read:

"SECTION XX. Act 162, Session Laws of Hawaii 2009, section 62, as amended by Act 180, Session Laws of Hawaii 2010, section 5, is amended:

By amending Item E-6 to read:

"6. P90032 MAUI MEMORIAL MEDICAL CENTER, NEW DIALYSIS UNIT. MAUI

PLANS, DESIGN, CONSTRUCTION AND EQUIPMENT FOR A NEW DIALYSIS UNIT[-] AND RELATED RENOVATIONS TO ACCOMMODATE THE CONSTRUCTION OF THE NEW DIALYSIS UNIT.

PLANS		1	
DESIGN		1	
CONSTRUCTION		6,630	
EQUIPMENT		568	
TOTAL FUNDING	HTH	7,200 C	C""

"SECTION XX. Any law to the contrary notwithstanding, the appropriations under Act 200, Session Laws of Hawaii 2003, section 77, as amended and renumbered by Act 41, Session Laws of Hawaii 2004, section 5, in the amounts indicated or balances thereof, unallotted, allotted, unencumbered, or encumbered and unrequired, are hereby lapsed:

"Item No.	Amount (MOF)
K-11.01	\$319,640 C"""

SENATE COMMUNICATIONS

The following communication from the Senate (Sen. Com. No. 30) was received and announced by the Clerk:

Sen. Com. No. 30, transmitting H.B. No. 1077, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY LAW," which passed Third Reading in the Senate on February 22, 2011.

DEPARTMENTAL COMMUNICATIONS

The following departmental communication (Dept. Com. No. 63) was received by the Clerk and was placed on file:

Dept. Com. No. 63, dated February 2, 2011, from Richard C. Lim, Department of Economic Development & Tourism, pursuant to Section 108 of Act 162, SLH 2009, requesting approval to expend additional federal funds for the Hawaii Center for Advanced Transportation Technologies (HCATT), BED 143 TE, by \$2,989,494; these funds were not appropriated because the scope of the additional projects and funding from the U.S. Air Force was not known at the time of the previous legislative session.

ORDER OF THE DAY

REPORTS OF STANDING COMMITTEES

Representatives Morita and Chang, for the Committee on Energy & Environmental Protection and the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 603) recommending that H.B. No. 266, pass Second Reading and be placed on the calendar for Third Reading.

Representative B. Oshiro moved that the report of the Committees be adopted, and that H.B. No. 266, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Evans.

Representative Thielen rose in opposition to the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Thielen's written remarks are as follows:

"I oppose HB266. Relating to Water Quality Standards. The Sierra Club, Hawai'i Chapter aptly explained why we should oppose HB266 in their testimony offered on February 3, 2011. I quote:

"The Sierra Club, Hawai'i Chapter, with 8000 dues paying members and supporters statewide, *opposes* HB 266. This measure would continue an inappropriate intrusion by the Legislature into the setting of water quality standards.

The Sierra Club opposed the passage of Act 126. We felt the process should be grounded in science, not politics...Act 126 was passed largely to benefit a single polluter, the City and County of Honolulu, in an effort to reduce the amount of potential fines it would have to pay for ongoing water quality violations.

Let's ensure our residents feel confident that Hawai'i's water quality standards are designed to reasonably protect human health and our fragile marine ecosystems. Let's keep the process of establishing water quality in the hands of scientists and the public."

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

"Yes, Mr. Speaker, in opposition of this bill. What House Bill 266 does is it repeals part of Act 126 and it repeals the sunset date. I voted against the bill that became Act 126 in 2009. And really what it does in my opinion, coming from Ewa Beach it really lessens our water quality standards. And to me that's unacceptable.

"You see, even though some of the standards that they wanted to change would apply to EPA standards. And so in some people's opinions they'll say, 'Well, we kept the EPA standards.' However, our water quality should be very different than the mainland because in Hawaii we consume more fish than any other state in the nation.

"And so what the EPA did was as the State was trying to change its water quality standards the EPA said, 'Well before we approve your standards we want to see some real data regarding the fish and the fish consumption and how that relates to the water quality in the population.' And so what this does is it kind of gives, in my opinion, an easy out for the City to not uphold some of the standards that we should have.

"At the same time in 2009, the EPA was fining the City for putting untreated sewer water into Ewa Beach waters. And as someone who surfs, and canoe paddles, and swims, I found that very unacceptable that the City would not want to improve its standards.

"So I'm watching this bill very closely. I ask the Members to please thoroughly read the Sierra's Club's testimony and I will be providing some more information to this Body about why we should have higher standards than the national standards."

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

"Mr. Speaker, I stand in support. Yes, I just want to go on record to say that the purpose of the bill is to continue to support the state and working with the EPA to get the standards. In the Committee Report, it very clearly states that the Department of Health has been working on the revised water quality standards in a three phase approach and some delays have occurred.

"And while the first set of revisions was approved by the EPA, the second set of revisions has been pending with the EPA since February 16 of 2010. And a third set of revisions has not yet gone through DOH's rulemaking procedures.

"And furthermore, according to the Department of Health, the second set of revisions was orally rejected by the EPA, which cited concerns that Hawaii's fish consumption rate was higher than the national average used to calculate the human health criteria for toxic pollutants, and that Hawaii's adoptions of the national criteria would not sufficiently protect the local population within acceptable tolerance levels. As such, the Department of Health needs additional time to complete a fish consumption survey. The bottom line is this bill is just giving an extension so DOH can work with the EPA and get what we need for the State. Thank you."

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

Representative Pine rose to respond, stating:

"Just in rebuttal, Mr. Speaker. This doesn't just give an extension. It repeals any date for this to be done. And to me, that's unacceptable. Let me explain to you why they need an extension.

"Apparently in one of the reports there's a mistake in a decimal or a decimal point that was supposed to be there. So a whole year went by to fix this decimal point. And as a legislator that represents a community where there's some concerns with water quality, that means that nothing was done to get this done for an entire year, and all they worked on was a decimal point.

"We need to take this more seriously, and to me they don't deserve an extension because they didn't take this seriously enough."

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

"Thank you, Mr. Speaker. In support with reservations and a few comments. Mr. Speaker, I am concerned that this bill drops the sunset clause, but I'm also cognizant and I would like to point out that we do have a new Administration.

"It appears that the roadblocks came when the EPA sat on the February 16, 2010 revisions. I think with the new Administration with this legislation sitting on the table, we have now an Administration that is on notice that they have to move forward with these very important regulations for the health and safety of our residents.

"I would hope as this bill moves forward, as it crosses over to the Senate, that consideration for putting back in another sunset clause will be advisable so that we can keep the hammer on top of the Administration and hold them accountable to ensure that the proper water quality standards are enacted. Thank you, Mr. Speaker."

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

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. Relating to Water Quality Standards. The proposed bill amends State water quality standards for marine waters to conform to federal standards in regards to pollutants for the protections of aquatic life in surface water and for the protection of human health for consumption.

"While this measure seeks to improve the water quality standards, non-priority pollutants in Hawaiian waters are unknown. If non-priority pollutants are adopted blindly, treatment plants will be required to initiate testing for these constituents, and if found at levels higher than the standards the facilities could be held liable for violation of these adopted standards.

"Hawaii's standards should be different due to the amount of people in the water and the high fish diet of people in the area. Laurence K. Lau, the Deputy Director of Health for the State of Hawai'i has stated that "fish consumption standards are 3.1 times more stringent than EPA Criteria, because the average daily consumption of fish locally estimated is higher than average". The passage of this bill would lead to violations of federal standards that should not apply to Hawaii's waters. Thank you."

Representative Hanohano rose in support of the measure with reservations and asked that the remarks of Representative Belatti be entered into 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 Committees was adopted and H.B. No. 266, entitled: "A BILL FOR AN ACT RELATING TO WATER QUALITY STANDARDS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Ching, Pine, Thielen and Wooley voting no, and with Representatives Carroll and Takai being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 604) recommending that H.B. No. 299, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 299, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COURTS OF APPEAL," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Carroll and Takai being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 605) recommending that H.B. No. 640, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 640, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC AGENCY MEETINGS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Carroll and Takai being excused

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 606) recommending that H.B. No. 109, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 109, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE SUNSHINE LAW," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Carroll and Takai being excused.

At 12:20 o'clock p.m. the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 12:20 o'clock p.m.

Representative Takumi, for the Committee on Education presented two reports:

(Stand. Com. Rep. No. 607), recommending that H.R. No. 29, be referred to the Committee on Legislative Management; and

(Stand. Com. Rep. No. 608), recommending that H.C.R. No. 34, be referred to the Committee on Legislative Management.

Representative B. Oshiro moved that the reports of the Committee be adopted, and that H.R. No. 29; and H.C.R. No. 34, be referred to the Committee on Legislative Management, seconded by Representative Evans.

Representative McKelvey rose to speak in support of both measures, stating:

"Mr. Speaker, thank you. On both resolutions, in strong support. And I think this is very timely. I supported this last year. Audits are good for government, especially given that there's such a large percentage of our budget that goes to the Department of Education. I think that if this could result in efficiencies, and wasteful practices being identified and perhaps ameliorated. I think this is very worthy of consideration. So again, in strong support. Thank you."

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

"Yes, Mr. Speaker. I also rise in strong support of this measure and would request that the words of the Representative Lahaina be entered as my own," and the Chair "so ordered." (By reference only.)

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

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in strong support of H.R. 29 and H.C.R. 34. A financial and management audit of the DOE is long overdue. The large bureaucracy of the Department of Education needs to be held accountable for how its funds are spent, especially when in comparison to other states we spend more, but have yet to reap the true benefits of our investments.

"Even the Department of Education has stated their own testimony that they have, 'always welcomed independent audits by the State Auditor. If we do not hold this bureaucracy accountable for its actions we, as a state are failing our *keiki*."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 29, entitled: "HOUSE RESOLUTION REQUESTING A FINANCIAL AND MANAGEMENT AUDIT OF THE DEPARTMENT OF EDUCATION," was referred to the Committee on Legislative Management, with Representatives Carroll, Chang and Takai being excused; and

H.C.R. No. 34, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A FINANCIAL AND MANAGEMENT AUDIT OF THE DEPARTMENT OF EDUCATION," was referred to the Committee on Legislative Management, with Representatives Carroll, Chang and Takai being excused.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 56 through 61) and concurrent resolutions (H.C.R. Nos. 63 through 69) were referred to Printing and further action was deferred:

H.R. No. 56, entitled: "HOUSE RESOLUTION REQUESTING THE STATE OF HAWAII TO PROVIDE THE DELEGATES AND OFFICERS OF THE NATIVE HAWAIIAN CONVENTION WITH THE FINANCIAL AND OTHER SUPPORT NEEDED TO COMPLETE THEIR WORK," was offered by Representative Awana, by request.

H.R. No. 57, entitled: "HOUSE RESOLUTION URGING THE HAWAII PUBLIC HOUSING AUTHORITY TO DEVELOP AND IMPLEMENT A SUSTAINABLE PLAN TO REPAIR ALL PUBLIC HOUSING UNITS IN NEED OF MAINTENANCE," was jointly offered by Representatives Awana, Hanohano, Mizuno, Herkes and Souki.

H.R. No. 58, entitled: "HOUSE RESOLUTION URGING THE DEPARTMENT OF HAWAIIAN HOME LANDS TO SEEK AND GATHER INPUT ON REVENUE-GENERATING INITIATIVES FOR ITS BENEFICIARIES," was jointly offered by Representatives Awana, Hanohano, Mizuno, Har, Herkes and Souki.

H.R.

H.R. No. 59, entitled: "HOUSE RESOLUTION URGING THE HAWAII VIRTUAL LEARNING NETWORK TO OFFER MORE ADVANCED PLACEMENT CLASSES OR GIVE PRIORITY FOR ENROLLMENT TO STUDENTS FROM SMALL OR RURAL HIGH SCHOOLS FOR THOSE ADVANCED PLACEMENT CLASSES ALREADY OFFERED BY THE NETWORK," was jointly offered by Representatives Awana, Hanohano, Herkes, Mizuno, Nishimoto and Souki

H.R. No. 60, entitled: "HOUSE RESOLUTION REQUESTING THE ESTABLISHMENT OF A RELATIONSHIP BETWEEN THE STATE OF HAWAII AND THE ISLANDS OF POLYNESIA," was jointly offered by Representatives Awana, Hanohano, Mizuno, Tsuji, Herkes and Souki

H.R. No. 61, entitled: "HOUSE RESOLUTION REQUESTING HEALTH INSURERS IN HAWAII TO PROVIDE COVERAGE OR REIMBURSEMENT FOR SERVICES RELATED TO PALLIATIVE CARE," was jointly offered by Representatives M. Lee, Har, Mizuno, B. Oshiro, Choy and Ichiyama.

H.C.R. No. 63, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE STATE OF HAWAII TO PROVIDE THE DELEGATES AND OFFICERS OF THE NATIVE HAWAIIAN CONVENTION WITH THE FINANCIAL AND OTHER SUPPORT NEEDED TO COMPLETE THEIR WORK," was offered by Representative Awana, by request.

H.C.R. No. 64, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE HAWAII PUBLIC HOUSING AUTHORITY TO DEVELOP AND IMPLEMENT A SUSTAINABLE PLAN TO REPAIR ALL PUBLIC HOUSING UNITS IN NEED OF MAINTENANCE," was jointly offered by Representatives Awana, Hanohano, Mizuno, Har, Herkes and Souki.

H.C.R. No. 65, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF HAWAIIAN HOME LANDS TO SEEK AND GATHER INPUT ON REVENUE-GENERATING INITIATIVES FOR ITS BENEFICIARIES," was jointly offered by Representatives Awana, Hanohano, Mizuno, Har, Herkes and Souki.

H.C.R. No. 66, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE HAWAII VIRTUAL LEARNING NETWORK TO OFFER MORE ADVANCED PLACEMENT CLASSES OR GIVE PRIORITY FOR ENROLLMENT TO STUDENTS FROM SMALL OR RURAL HIGH SCHOOLS FOR THOSE ADVANCED PLACEMENT CLASSES ALREADY OFFERED BY THE NETWORK," was jointly offered by Representatives Awana, Hanohano, Herkes, Mizuno, Nishimoto and Souki.

H.C.R. No. 67, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE ESTABLISHMENT OF A RELATIONSHIP BETWEEN THE STATE OF HAWAII AND THE ISLANDS OF POLYNESIA," was jointly offered by Representatives Awana, Hanohano, Mizuno, Tsuji, Herkes and Souki.

H.C.R. No. 68, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING HEALTH INSURERS IN HAWAII TO PROVIDE COVERAGE OR REIMBURSEMENT FOR SERVICES RELATED TO PALLIATIVE CARE," was jointly offered by Representatives M. Lee, Har, Mizuno, B. Oshiro, Choy and Ichiyama.

H.C.R. No. 69, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A SUNRISE REVIEW OF THE REGULATION OF PHARMACY BENEFIT MANAGEMENT COMPANIES," was offered by Representative Chong.

ANNOUNCEMENTS

Representative Ching: "Thank you, Mr. Speaker. This will be the last time I stand for this month on having this month, this year, on this particular subject, as Hawaiian chocolate month. I will cease and desist after this one announcement.

"But on your desks, I did just want to end with the report from the task force of this Body which passed legislation, for those of you that may be interested in this emerging industry, and to remind everybody that cacao is grown on all of the five major islands. Kapaa, Kauai; Molokai; Oahu; Keauhou, Big Island.

"We are having today a Cocoa Café in Room 330 from 1:30 p.m. to 3:00 p.m. and all proceeds will go to the Foodbank. And the festival is this Saturday from 12:00 to 5:00 p.m. at Dole Cannery and I appreciate your hospitality on this. Thank you."

COMMITTEE ASSIGNMENTS

The following measures were referred to committee by the Speaker:

Nos.	Referred to:
47	Committee on Public Safety & Military Affairs, then jointly to the Committee on Housing and the Committee on Water, Land, & Ocean Resources
48	Committee on Health, then to the Committee on Finance
49	Committee on Labor & Public Employment
50	Committee on Transportation, then to the Committee on Finance
51	Committee on Culture & the Arts
52	Committee on Health, then to the Committee on Consumer Protection & Commerce, then to the Committee on Legislative Management
53	Committee on Judiciary
54	Committee on Human Services, then to the Committee on Judiciary, then to the Committee on Finance
55	Jointly to the Committee on Human Services and the Committee on Health, then to the Committee on Consumer Protection & Commerce
56	Committee on Hawaiian Affairs, then to the Committee on Judiciary, then to the Committee on Finance
57	Committee on Housing, then to the Committee on Finance
58	Committee on Hawaiian Affairs, then to the Committee on Finance
59	Committee on Hawaiian Affairs, then to the Committee on Education, then to the Committee on Finance
60	Committee on International Affairs, then to the Committee on Finance
61	Committee on Health, then to the Committee on Consumer Protection & Commerce, then to the Committee on Finance

H.C.R. Nos.	Referred to:
54	Committee on Public Safety & Military Affairs, then jointly to the Committee on Housing and the Committee on Water, Land, & Ocean Resources
55	Committee on Health, then to the Committee on Finance
56	Committee on Labor & Public Employment
57	Committee on Transportation, then to the Committee on Finance
58	Committee on Culture & the Arts
59	Committee on Health, then to the Committee on Consumer Protection & Commerce, then to the Committee on Legislative Management
60	Committee on Judiciary
61	Committee on Human Services, then to the Committee on Judiciary, then to the Committee on Finance
62	Jointly to the Committee on Human Services and the Committee on Health, then to the Committee on Consumer Protection & Commerce
63	Committee on Hawaiian Affairs, then to the Committee on Judiciary, then to the Committee on Finance
64	Committee on Housing, then to the Committee on Finance
65	Committee on Hawaiian Affairs, then to the Committee on Finance
66	Committee on Hawaiian Affairs, then to the Committee on Education, then to the Committee on Finance
67	Committee on International Affairs, then to the Committee on Finance
68	Committee on Health, then to the Committee on Consumer Protection & Commerce, then to the Committee on Finance
69	Committee on Health, then to the Committee on Consumer Protection & Commerce, then to the Committee on Legislative Management
<u>S.B.</u> <u>Nos.</u>	Referred to:
219, SD1	Jointly to the Committee on Public Safety & Military Affairs and the Committee on Health, then to the Committee on Finance
1089, SD1	Jointly to the Committee on Labor & Public Employment and the Committee on Economic Revitalization & Business, then to the Committee on Judiciary, then to the Committee on Finance

COMMITTEE REASSIGNMENTS

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

<u>H.B.</u> <u>No.</u>	Re-referred to:	
922	Committee on Judiciary	

ADJOURNMENT

At 12:23 o'clock p.m. on motion by Representative Evans, seconded by Representative Pine and carried, the House of Representatives adjourned until 12:00 o'clock noon Thursday, March 3, 2011. (Representatives Carroll, Chang and Takai were excused.)