

THIRTY-SECOND DAY

Thursday, March 17, 2011

The Senate of the Twenty-Sixth Legislature of the State of Hawai'i, Regular Session of 2011, convened at 11:31 a.m. with the President in the Chair.

The Roll was called showing all Senators present.

The President announced that he had read and approved the Journal of the Thirty-First Day.

At this time, Senator Chun Oakland introduced 61 participants of the State Council on Developmental Disabilities 12th Annual Day at the Capitol event from Hilo, Kailua-Kona, and Honoka'a on Hawai'i island; from Kapa'a, Lihu'e, and Waimea on Kaua'i; from Kahului, Makawao, and Wailuku on Maui; from Moloka'i; and from 'Ewa, Honolulu, Makakilo, Pearl City, Kane'ohe, Mililani, Wai'anae, and Wahiawa on O'ahu. The participants were meeting with legislators to discuss their issues and concerns as well as measures related to developmental disabilities pending before the Legislature. Also recognized was Waynette Cabral, Executive Administrator of the State Council on Developmental Disabilities.

Senator Tokuda introduced several guests associated with Hawai'i P-20 and the Gear Up program and Step Up program including Hugh Dunn, Mandy Westfall-Senda, Lesli Yogi, Maria Monsell, Jennifer Naguwa, and Cherry Torres, former staff member for former State Senator Norman Sakamoto.

Senator Espero introduced the following students and staff from James Campbell High School, a National Demonstration School, who were part of the Advancement Via Individual Determination (AVID) program: Shayla O'Connell, a Horatio Algiers Scholarship winner; Katie Fam, a finalist for the Dell & Gates Scholarship Foundation; Principal Naomi Takamori; Vice Principal Flossie Steffany; teachers Laurie Katagiri-Hoshino, Eleyne Fia, Ken Everett, David Napier, Nelwyn Young, Joanne Natividad, and Marites Barangan; and AVID program administrators Adele Wada and Wayne Kozuma.

Senator Fukunaga, on behalf of Senator Taniguchi and herself, the following students and teachers from Washington Middle School: Kai Yoneshiro, Joyung Jun, Tanner Tatofi, Colt Dante, Kueni Kwatch, Jay Chang; and advisors Gail Pottenger, Ray Tang, Jolyn Lee, and Lee Anne Domingo.

Senator Wakai recognized and congratulated Principal Darrel Galera of Moanalua High School for being named the Metlife/NASSAP Hawai'i's 2010 National Distinguished High School Principal. Accompanying Principal Galera were Vice Principals Julia Toyama, Linda Sadaoka, Ben Meyer, and Shannon Tamashiro, as well as Athletic Director Joel Kawachi.

Senator Slom congratulated and honored Principal Justin Mew of Niu Valley Middle School for being named the Metlife/NASSAP Hawai'i's 2010 Middle School Principal of the Year and for his unwavering dedication and aspiration to provide the best possible education experience to the students, staff, and community of Niu Valley.

Senator Fukunaga, with the assistance of Senators Ryan, Ihara, and Dela Cruz, congratulated and introduced the principals of the 2011 Hawaii Blue Ribbon Schools: Principal Michael Harano, Washington Middle School; Principal Loretta Yee, Koko Head Elementary School, who was represented by complex area superintendent Calvin Nomiyama; Principal Christina Small, King Liholiho Elementary School; and Principal Scott Moore, Waialua Elementary School, who was represented by fifth-grade teacher Kim Ah Lee Sam.

Senator Fukunaga also recognized and congratulated Principal Michael Harano of Washington Middle School who was chosen as Hawai'i's 2010 National Distinguished Principal. Principal Harano was accompanied by members of the Washington Middle School Math Team including Ethan Vo, David Chang, and their coach Sung Park.

Senator Ihara also recognized staff and guests from Liholiho Elementary School including Michael Lau, president of the Parent-Teacher Association; Dennis Iwanaga, chair of the School-Community Council; Scott Taniyama, former School-Community Council officer; Ryan Small, son of Principal Small; Tom Holden, PE teacher; and Vernon Tam, school librarian and chair of the Kaimuki Neighborhood Board.

Senator Dela Cruz recognized Richard Ah Lee Sam, husband of Kim Ah Lee Sam, who was seated in the gallery.

Senator Dela Cruz recognized and congratulated Yuuko Arikawa of Ka'ala Elementary School, recipient of Hawai'i's 2010 Milken Family Foundation National Educator Award for her significant achievements over the years. Ms. Arikawa was accompanied by her children Tamika, Jacob, Jeremiah, and Tinora; her friend and colleague Angelita Reed and her children Alexandra and Isabella; her husband Sean Cross; Ka'ala Elementary Principal Ted Fisher; and her auntie Iwalani Soa.

Senator Shimabukuro recognized and congratulated Dawn Homont of Wai'anae Intermediate School on receiving the 2010 Teacher of Promise Award presented by the National Milken Educators of Hawai'i. Ms. Homont was accompanied by her sister Michelle and baby niece Michaela who were seated in the gallery.

Senator Ige, on behalf of Senators Kim and Wakai, introduced complex area superintendent Teri Ushijima and Principal Michael Tokioka of 'Aiea High School.

Senator Galuteria welcomed several Special Olympians and his son Sean's jiu jitsu class from Abilities Unlimited who were seated in the gallery.

At 12:01 p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 12:07 p.m.

MESSAGE FROM THE GOVERNOR

The following message from the Governor (Gov. Msg. No. 1105) was read by the Clerk and was placed on file:

Gov. Msg. No. 1105, informing the Senate that on March 14, 2011, the Governor signed into law Senate Bill No. 8, S.D. 1, H.D. 2 as Act 5, entitled: "RELATING TO EDUCATION."

HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 356 to 358) were read by the Clerk and were disposed of as follows:

Hse. Com. No. 356, transmitting H.B. No. 200, H.D. 1, which passed Third Reading in the House of Representatives on March 16, 2011, was placed on file.

On motion by Senator Espero, seconded by Senator Slom and carried, H.B. No. 200, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE BUDGET," passed First Reading by title and was referred to the Committee on Ways and Means.

Hse. Com. No. 357, transmitting H.B. No. 300, H.D. 2, which passed Third Reading in the House of Representatives on March 16, 2011, was placed on file.

On motion by Senator Espero, seconded by Senator Slom and carried, H.B. No. 300, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," passed First Reading by title and was referred to the Committee on Judiciary and Labor, then to the Committee on Ways and Means.

Hse. Com. No. 358, transmitting H.B. No. 400, H.D. 1, which passed Third Reading in the House of Representatives on March 16, 2011, was placed on file.

On motion by Senator Espero, seconded by Senator Slom and carried, H.B. No. 400, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE BUDGET OF THE OFFICE OF HAWAIIAN AFFAIRS," passed First Reading by title and was referred to the Committee on Hawaiian Affairs, then to the Committee on Ways and Means.

ORDER OF THE DAY

ADVISE AND CONSENT

MATTER DEFERRED FROM TUESDAY, MARCH 15, 2011

Stand. Com. Rep. No. 804 (Gov. Msg. No. 506):

Senator Fukunaga moved that Stand. Com. Rep. No. 804 be received and placed on file, seconded by Senator Kim and carried.

Senator Fukunaga then moved that the Senate consent to the nomination of RICHARD C. LIM as the Director of the Department of Business, Economic Development and Tourism, for a term to expire December 1, 2014, seconded by Senator Kim.

Senator Fukunaga rose in support of the nominee as follows:

"Colleagues, many of you are familiar with Richard Lim's distinguished career in Hawai'i's banking industry beginning in 1976 with International Holding Capital Corporation through his term as President of City Bank Hawai'i from 1999 to 2004. However, what is especially noteworthy for an individual from a somewhat conservative banking industry, Mr. Lim was also responsible for showcasing Hawai'i's leading technology companies through City Bank's sponsorship of the Targeted Industry's Growth Report, or the TIGR report. At a time when few understood the value of supporting new technology development, he co-founded and directed this public service effort to encourage Hawai'i to diversify its economy. Launched in 1998, when the state was mired in recession and many local businesses were worried about Hawai'i's future in an increasingly competitive global economy, the TIGR report played a pivotal role in rallying the business community around Hawai'i's emerging high technology sector. It appeared monthly in Hawai'i Business Magazine and identified, analyzed, and reported on key sectors with the potential to provide meaningful diversification for the state's economy. It was based on extensive research with the aid of over 100 field correspondents. It was certainly one of the first things I turned to whenever I picked up the magazine. When the last report was published in 2003, we lost a vital source of information for Hawai'i's business community.

"During the TIGR report's lifetime, Mr. Lim also created an annual TIGR awards ceremony to publicly honor Hawai'i's high tech entrepreneurs and to encourage Hawai'i's business visionaries to stay in Hawai'i and start businesses here. Today, those businesses employ thousands of residents in well-paying jobs in targeted growth industries, such as diversified agriculture, aquaculture, astronomy, educational tourism, film

and digital media, internet and web startups, ocean and earth sciences, and companies supporting Hawai'i's high tech, dual-use industries. Equally important, he befriended the leaders of these growth industries, establishing a network of personal contacts that should provide invaluable assistance and guidance to the state as we focus on meeting the challenges of our current economic climate.

"Your Committees on Economic Development and Technology and Tourism were also encouraged to hear Mr. Lim's intention of rebuilding the department's capacity to provide timely, accurate, and well thought out economic growth analyses to help revive the state's economy. This focus will substantially improve the types of cost-benefit analyses provided by DBEDT, Department of Taxation, other research assets such as UHERO, and private sector economists. Events such as last week's tragic Japanese tsunami further emphasized the fragility of the Hawai'i economy and the need for timely and reliable economic data upon which legislators, the administration, business, and the broader community can rely upon as we respond to both short-term and ongoing challenges.

"I commend Mr. Lim for his willingness to serve as Director of Business, Economic Development, and Tourism and for his frank acknowledgment that government is much more complicated than the private sector. He brings confidence, hope, understanding, and encouragement to the Hawai'i business community at a time that it is badly needed. We look forward to working with him in our collaborative efforts to rebuild Hawai'i's economy and to create more jobs for Hawai'i's people. For all of the foregoing reasons, I urge my colleagues to vote in support of his nomination. Thank you."

Senator Slom rose in strong support of the nominee as follows:

"We're expecting a great deal from this nominee. As was said, we expect him to build or rebuild capacity of the department, but also credibility. The department has been troubled with a number of issues that were pointed out by the Legislative Auditor over the last couple of years. And the nominee has already indicated steps that were taken so that those circumstances don't happen again. The nominee has a great deal of experience and a wide breadth of contacts throughout the community, and I think this will be extremely helpful. Those of us in the small business community, while we appreciate technological advances, we don't want to be ignored either and think that since 98 percent of all businesses in this state are small business, we expect and hope to see a great deal of emphasis. We're also anxiously awaiting the reorganizational plans of the department. So, I'm very happy to add my full support and urge all of our colleagues to do so as well. Thank you."

Senator Taniguchi rose in strong support of the nominee as follows:

"I've known Richard for more than 20 years. He was my boss at the old International Savings and Loan. He is a visionary, he is a tireless innovator, and he believes in empowering all those around him to do a better job. I believe he'll do a great job as the Director of DBEDT, and I ask my colleagues to support his nomination. Thank you."

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Hee).

At this time, Senator Fukunaga introduced Director Lim, who was accompanied by his wife Carin and members of the DBEDT support team who were seated in the gallery.

At 12:16 p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 12:21 p.m.

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.”

**REFERRAL OF
SENATE CONCURRENT RESOLUTIONS**

The President made the following committee assignments of concurrent resolutions offered on Tuesday, March 15, 2011; and Wednesday, March 16, 2011:

S.C.R. No.:	Referred to:
S.C.R. No. 95	Jointly to the Committee on Human Services and the Committee on Public Safety, Government Operations, and Military Affairs and the Committee on Education and the Committee on Economic Development and Technology, then to the Committee on Ways and Means
S.C.R. No. 96	Jointly to the Committee on Public Safety, Government Operations, and Military Affairs and the Committee on Judiciary and Labor, then to the Committee on Ways and Means
S.C.R. No. 97	Jointly to the Committee on Commerce and Consumer Protection and the Committee on Economic Development and Technology
S.C.R. No. 98	Jointly to the Committee on Public Safety, Government Operations, and Military Affairs and the Committee on Judiciary and Labor
S.C.R. No. 99	Committee on Hawaiian Affairs, then to the Committee on Education
S.C.R. No. 100	Committee on Judiciary and Labor, then to the Committee on Ways and Means
S.C.R. No. 101	Committee on Water, Land, and Housing
S.C.R. No. 102	Jointly to the Committee on Education and the Committee on Agriculture
S.C.R. No. 103	Committee on Commerce and Consumer Protection, then to the Committee on Judiciary and Labor
S.C.R. No. 104	Committee on Human Services, then to the Committee on Ways and Means
S.C.R. No. 105	Committee on Health, then to the Committee on Ways and Means
S.C.R. No. 106	Committee on Judiciary and Labor, then to the Committee on Ways and Means
S.C.R. No. 107	Committee on Health, then to the Committee on Ways and Means
S.C.R. No. 108	Committee on Public Safety, Government Operations, and Military Affairs, then to the Committee on Ways and Means
S.C.R. No. 109	Jointly to the Committee on Transportation and International Affairs

and the Committee on Public Safety, Government Operations, and Military Affairs, then to the Committee on Judiciary and Labor

S.C.R. No. 110	Committee on Public Safety, Government Operations, and Military Affairs and the Committee on Hawaiian Affairs, then to the Committee on Ways and Means
S.C.R. No. 111	Committee on Commerce and Consumer Protection, then to the Committee on Ways and Means
S.C.R. No. 112	Jointly to the Committee on Agriculture and the Committee on Water, Land, and Housing, then jointly to the Committee on Economic Development and Technology and the Committee on Public Safety, Government Operations, and Military Affairs
S.C.R. No. 113	Committee on Judiciary and Labor

REFERRAL OF SENATE RESOLUTIONS

The President made the following committee assignments of resolutions offered on Tuesday, March 15, 2011; and Wednesday, March 16, 2011:

S. R. No.:	Referred to:
S.R. No. 52	Jointly to the Committee on Human Services and the Committee on Public Safety, Government Operations, and Military Affairs and the Committee on Education and the Committee on Economic Development and Technology, then to the Committee on Ways and Means
S.R. No. 53	Jointly to the Committee on Education and the Committee on Agriculture
S.R. No. 54	Jointly to the Committee on Commerce and Consumer Protection and the Committee on Economic Development and Technology
S.R. No. 55	Committee on Hawaiian Affairs, then to the Committee on Education
S.R. No. 56	Committee on Judiciary and Labor, then to the Committee on Ways and Means
S.R. No. 57	Committee on Water, Land, and Housing
S.R. No. 58	Committee on Judiciary and Labor, then to the Committee on Ways and Means
S.R. No. 59	Jointly to the Committee on Water, Land, and Housing and the Committee on Public Safety, Government Operations, and Military Affairs, then to the Committee on Ways and Means
S.R. No. 60	Jointly to the Committee on Transportation and International Affairs and the Committee on Agriculture
S.R. No. 61	Committee on Health, then to the Committee on Ways and Means
S.R. No. 62	Committee on Public Safety, Government Operations, and Military

- Affairs, then to the Committee on Ways and Means
- S.R. No. 63 Jointly to the Committee on Transportation and International Affairs and the Committee on Public Safety, Government Operations, and Military Affairs, then to the Committee on Judiciary and Labor
- S.R. No. 64 Jointly to the Committee on Public Safety, Government Operations, and Military Affairs and the Committee on Judiciary and Labor, then to the Committee on Ways and Means
- S.R. No. 65 Committee on Judiciary and Labor
- S.R. No. 66 Jointly to the Committee on Agriculture and the Committee on Water, Land, and Housing, then jointly to the Committee on Economic Development and Technology and the Committee on Public Safety, Government Operations, and Military Affairs

RE-REFERRAL OF A HOUSE BILL

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

- H.B. No.: Re-referred to:
- H.B. No. 1411, H.D. 2 Committee on Commerce and Consumer Protection, then to the Committee on Ways and Means

Senator Tokuda, Chair of the Committee on Education, requested a waiver of the notice requirement pursuant to Senate Rule 21 for S.C.R. No. 78.

Senator Tokuda noted:

“This resolution was actually written by a high school student and will be a part of the agenda as part of our student hearing day.”

The Chair granted the waiver.

Senator Solomon rose on a point of information:

“I’d like to make an inquiry of the President as to whether or not the leadership has met with the Governor in extending our hand and our kōkua to our ‘ohana in Japan.”

The Chair responded:

“Yes, we have, Senator. In fact, the Lieutenant Governor has been put in charge of leading a relief effort, and so Senator Wakai is representing the Senate and working in coordination with the House and the Administration.”

Senator Solomon continued:

“I think that’s wonderful, Mr. President, and I’m hoping that the committee would consider the possibility of opening Hawai‘i to receive those that are presently evacuating Japan. I heard that the numbers are now half a million that are exiting, and I think that we should seriously look at encouraging them to come to Hawai‘i, and work with whomever can accommodate them, and, you know, to be able to really open our city, as well as our neighbor islands, up to the nation of Japan. As you know, Mr. President, we’ve had a long-standing relationship with Japan. It came from the kingdom of King David Kalākaua. At one time they were considering a marriage between Princess Ka‘iulani and the prince of Japan, you know, many, many years ago. They were the only nation that came to our aid when the

marines came and illegally overthrew the Kingdom of Hawai‘i. Japan stood ready to come with their gunships to our rescue. So, because of this long-standing history, and being that I am a Native Hawaiian, I feel compelled at this time to encourage the committee to really take fast action because they desperately need our help. Thank you very much, Mr. President.”

ADJOURNMENT

At 12:25 p.m., on motion by Senator Espero, seconded by Senator Slom and carried, the Senate adjourned until 11:30 a.m., Friday, March 18, 2011.