

TWENTY-FIRST DAY

Friday, February 17, 2012

The House of Representatives of the Twenty-Sixth Legislature of the State of Hawaii, Regular Session of 2012, convened at 12:06 o'clock p.m., with Vice Speaker Manahan presiding.

The invocation was delivered by former Representative Lynn Finnegan, Executive Director of the Hawaii Charter Schools Network, after which the Roll was called showing all Members present with the exception of Representatives Herkes and M. Lee, who were excused.

By unanimous consent, reading and approval of the Journal of the House of Representatives of the Nineteenth and Twentieth Days was deferred.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 22 through 25) were received and announced by the Clerk:

Sen. Com. No. 22, transmitting S.B. No. 2709, entitled: "A BILL FOR AN ACT RELATING TO FURNISHING THE DATE OF VITAL EVENTS TO GOVERNMENTAL AGENCIES WITHIN THE STATE OF HAWAII THAT REQUEST VERIFICATION," which passed Third Reading in the Senate on February 16, 2012.

Sen. Com. No. 23, transmitting S.B. No. 2821, entitled: "A BILL FOR AN ACT RELATING TO MORTALITY REVIEW OF DEATHS OF PERSONS WITH DEVELOPMENTAL OR INTELLECTUAL DISABILITIES," which passed Third Reading in the Senate on February 16, 2012.

Sen. Com. No. 24, transmitting S.B. No. 2828, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EARLY INTERVENTION COORDINATING COUNCIL," which passed Third Reading in the Senate on February 16, 2012.

Sen. Com. No. 25, transmitting S.B. No. 2988, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," which passed Third Reading in the Senate on February 16, 2012.

On motion by Representative Evans, seconded by Representative Pine and carried, the following Senate Bills passed First Reading by title and further action was deferred: (Representatives Herkes, M. Lee and Souki were excused.)

S.B. No. 2709
S.B. No. 2821
S.B. No. 2828
S.B. No. 2988

INTRODUCTIONS

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

Representative Cullen introduced his friend and constituent, Mr. Cory Chun.

Representative Ching introduced Mr. Don Weisman of the American Heart Association.

Representative Takumi introduced a delegation of trade labor union members from Japan, as well as members of the ILWU.

ORDER OF THE DAY

At this time, the Chair announced:

"Members, please turn to page 21 of your Order of the Day. We will be moving Standing Committee Report Nos. 609-12 and 611-12 to the end of the calendar, after the Third Reading."

SUSPENSION OF RULES

On motion by Representative Evans, seconded by Representative Pine and carried, the rules were suspended for the purpose of considering certain House Bills for Third Reading by consent calendar. (Representatives Herkes, M. Lee and Souki were excused.)

UNFINISHED BUSINESS

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 455-12) recommending that H.B. No. 1764, as amended in HD 1, pass Third Reading.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1764, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RESIDENCY OF APPOINTIVE OFFICERS," passed Third Reading by a vote of 48 ayes, with Representatives Herkes and M. Lee being excused.

At 12:15 o'clock p.m., the Chair noted that the following bill passed Third Reading:

H.B. No. 1764, HD 1

REPORTS OF STANDING COMMITTEES

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 525-12) recommending that H.B. No. 2865, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2865, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. I rise in strong support. Thank you, Mr. Speaker. I also rise in strong gratitude, in gratitude to the Chair of Health, the Members of the Committee, and the Members of this House. I think that we'll understand how important this measure is and that we take action immediately, because our people cannot wait. The recent closure of two hospitals here in our State begs the question of why on many different levels. One of those levels is that Mr. Speaker, our people, our local people, they're not in the best of health, a lot of them. And one of the things that are afflicting the people of Hawaii is diabetes.

"Not all diabetes, but much of diabetes is preventable. And the fact is that our local people are most at risk because they have a much higher prevalence of it, than do Caucasians. Japanese, Filipino, Chinese, and all Native Hawaiians we know are very susceptible to this disease that is largely preventable. Currently diabetes is costing the State of Hawaii, per year, over \$1 billion. So this is not just the heart and tragedy of when we see it. Because just go down to Kahala Mall or any of your malls, our people as amputees, our people are unhealthy. On another level is this is a source of a lot of draining on our budget, our economy. One in two children born after 2000 will be affected by diabetes, so says the American Diabetes Association, and Hawaii has a much higher prevalence of end stage renal disease, as our Chair of Human Services has pointed out in the past, than the national average.

"Right now, the way our State has been somewhat approaching it, is that we do have some things going on, but we have it often under the umbrella of chronic disease in general. And what this bill, and it was originally a diabetes czar bill, but it's good still. It's a task force that will start to shed light and focus on this thing that's killing our people. It has not really been in the public eye. I submit Mr. Speaker; it's not even a PSA, to educate our people. That number one, it's a silent disease like a snake. So by the time you get your first symptom, you've had it in your system for almost maybe 10 years. Number two, it's preventable, and a lot of it has to do with things we do on a regular basis. And number three, our people are dying at an astronomical rate. It's an epidemic. It needs our attention.

"What I wanted to mention besides the fact that dialysis, if you ever have a chance to visit, I urge all my colleagues to visit a dialysis center. 70,000 a year, 3 times a week. But the most important thing is to me our people, maybe we need to start looking at what we can do on an everyday basis. I know that we have been studying this disease. I'm sure there's tons of data, and I applaud the efforts of the ADA. I applaud the efforts of all these organizations, the DOH. The question becomes, the provocative question, the question I would like to ask is, if every educated person, I can take anyone down Bishop Street, or I can take anyone anywhere. If all people know that to increase, to help their health, they should eat right and exercise, my question is then, why aren't they? This is the provocative question. If we all know already ..."

Representative Say rose to yield his time, and the Chair "so ordered."

Representative Ching continued, stating:

"Thank you, Mr. Speaker. Thank you, very much. My question is, what can we do on a regular basis to improve the health of our people? What is it that we are doing that might be different from those that don't get diabetes? What is it that we have to change on a regular basis to help our people? Because I think those are the questions that I would like to see addressed in this task force.

"I come from the district Mr. Speaker, I'm very proud of plate lunch, or *saimin*, of spam *musubi*. And I have to admit, I love my spam *musubi*. I love my spam *musubi*. I've been to the spam museum. I love my plate lunch. I'm not advocating that we say, 'Oh, no more.' But what I am saying is, balance.

"You know, Chinese medicine is based on a concept of *ying* and *yang*, balance. So for those of you who think this is not congruent with chocolate, no it's about balance. Because our elders had balance. Our elders ate spam *musubi*, just not every day. They invented it, but they don't eat it every day. And they plant the mango tree in the back yard. They take care of the plants. And most important, they're gentle with the people. So maybe these are things that we have to learn from our elders. When we're gentle, take care, lower incidents, because the World War II generation has much less of it than their children. 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. 2865, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DIABETES," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representatives Yamane and Nishimoto, for the Committee on Health and the Committee on Higher Education presented a report (Stand. Com. Rep. No. 526-12) recommending that H.B. No. 2368, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committees was adopted and H.B. No. 2368, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII AT HILO," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 527-12) recommending that H.B. No.

2468, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2468, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FALSE CLAIMS TO THE STATE," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 528-12) recommending that H.B. No. 2602, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2602, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CREDIT FOR TIME OF DETENTION PRIOR TO SENTENCE," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 529-12) recommending that H.B. No. 1749, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1749, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC INFRACTIONS," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 530-12) recommending that H.B. No. 2841, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2841, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM INTERSTATE DEPOSITIONS AND DISCOVERY ACT," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 531-12) recommending that H.B. No. 1962, HD 1, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1962, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PSEUDOEPHEDRINE," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 532-12) recommending that H.B. No. 2601, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2601, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE SERVICE OF PROCESS," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 533-12) recommending that H.B. No. 626, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 626, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII UNIFORM COLLABORATIVE LAW ACT," passed Second Reading and

was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 534-12) recommending that H.B. No. 1765, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1765, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL HISTORY RECORD CHECKS FOR COUNTY EMPLOYEES," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 535-12) recommending that H.B. No. 2181, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2181, entitled: "A BILL FOR AN ACT RELATING TO VACANCIES," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 536-12) recommending that H.B. No. 2401, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2401, HD 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE IV, SECTION 2, OF THE HAWAII STATE CONSTITUTION TO ADD A RESIDENCY REQUIREMENT FOR MEMBERS APPOINTED TO THE REAPPORTIONMENT COMMISSION," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 537-12) recommending that H.B. No. 2404, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2404, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC INFORMATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 538-12) recommending that H.B. No. 2442, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2442, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF THE ATTORNEY GENERAL," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 539-12) recommending that H.B. No. 2454, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2454, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RAP BACK PROGRAM OF THE HAWAII CRIMINAL JUSTICE DATA

CENTER," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 540-12) recommending that H.B. No. 2773, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2773, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE WEED AND SEED PROGRAM," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Nishimoto, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 541-12) recommending that H.B. No. 2639, HD 1, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2639, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHER EDUCATION," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Nishimoto, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 542-12) recommending that H.B. No. 2735, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2735, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE STADIUM AUTHORITY," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Nishimoto, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 543-12) recommending that H.B. No. 2859, as amended in HD 1, be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2859, HD 1, be referred to the Committee on Finance, seconded by Representative Evans.

Representative Fontaine rose and asked that the Clerk record an aye vote with reservations for him, 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 Hanohano rose to speak in support of the measure with reservations, stating:

"Ho'omalu 'ōlelo, ke kū nei au ke kako'o me ke kanalua."

Representative Hanohano provided the following translation:

Mr. Speaker, I rise with reservations.

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2859, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representatives Rhoads and Souki, for the Committee on Labor & Public Employment and the Committee on Transportation presented a report (Stand. Com. Rep. No. 544-12) recommending that H.B. No. 2254, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committees was adopted and H.B. No. 2254, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PRETAX

TRANSPORTATION BENEFIT," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 545-12) recommending that H.B. No. 2571, HD 1, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2571, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT EXEMPTION FOR DOMESTIC SERVICES FOR PERSONS WITH DEVELOPMENTAL AND INTELLECTUAL DISABILITIES," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 546-12) recommending that H.B. No. 2494, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2494, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING COST ITEMS," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 547-12) recommending that H.B. No. 2495, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2495, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING COST ITEMS," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 548-12) recommending that H.B. No. 2487, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2487, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 549-12) recommending that H.B. No. 1884, HD 1, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1884, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC HOUSING," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 550-12) recommending that H.B. No. 1751, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1751, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Second Reading and

was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 551-12) recommending that H.B. No. 2493, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2493, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING COST ITEMS," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 552-12) recommending that H.B. No. 1811, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1811, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Mizuno, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 553-12) recommending that H.B. No. 2547, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2547, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HUMAN SERVICES," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Mizuno, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 554-12) recommending that H.B. No. 1905, HD 1, as amended in HD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1905, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Chang, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 555-12) recommending that H.B. No. 2553, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2553, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BUILDING DESIGN FOR PERSONS WITH DISABILITIES," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Chang, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 556-12) recommending that H.B. No. 2793, pass Second Reading and be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2793, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

"Mr. Speaker, could you please cast a vote with serious reservations on this measure for me, Relating to the Board of Land and Natural Resources."

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

"Ho'omalū 'ōlelo, ke kū nei au ke kako'o me ke kanalua."

Representative Hanohano provided the following translation:

Mr. Speaker, I rise with reservations.

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

"Mr. Speaker, please also note my serious reservations."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2793, entitled: "A BILL FOR AN ACT RELATING TO BOARD OF LAND AND NATURAL RESOURCES," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 557-12) recommending that H.B. No. 2169, HD 1, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2169, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ACCOUNTANCY," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 558-12) recommending that H.B. No. 2498, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2498, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ESCROW DEPOSITORIES," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 559-12) recommending that H.B. No. 2563, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2563, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII IMMUNIZATION REGISTRY," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 560-12) recommending that H.B. No. 2570, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2570, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. With reservations, and please let me explain why. Thank you. I have no problem with licensing dietitians. I think that they want to have this done, and it's probably time to do that.

"I do have problems with page 8 of the bill and its section 6. What it states specifically on line 11 is, 'Except as specifically provided in this chapter, no person shall engage in dietetic practice.' That's the problem. It's the drafting problem. Dietetic practice could be defined to be what nutritionists do, and this in some way could harm what they are trying to do. I know that there was an amendment made in Committee, but it's in another section. It's trying to say, 'Wait a minute. We don't mean to say what we're saying in section 6.' Well I think the best way is for that language to be cleaned up as it goes to Finance, and I would encourage the Finance Committee to look at that. Thank you."

Representative Ching 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."

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

"Ho'omalū 'ōlelo, ke kū nei au ke kako'o me ke kanalua."

Representative Hanohano provided the following translation:

Mr. Speaker, I rise with reservations.

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2570, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LICENSING OF DIETITIANS," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 561-12) recommending that H.B. No. 2665, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2665, HD 2, entitled: "A BILL FOR AN ACT RELATING TO STROKE TREATMENT," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 562-12) recommending that H.B. No. 1741, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1741, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PRESCRIPTION DRUG," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 563-12) recommending that H.B. No. 1295, HD 1, as amended in HD 2, pass Second Reading and be referred jointly to the Committee on Judiciary and the Committee on Consumer Protection & Commerce.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1295, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS," passed Second Reading and was referred jointly to the Committee on Judiciary and the Committee on Consumer Protection & Commerce, with Representatives Herkes and M. Lee being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 564-

12) recommending that H.B. No. 2025, HD 1, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2025, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 565-12) recommending that H.B. No. 2318, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2318, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

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

"May I have a ruling on a potential conflict? I'm an owner of a veteran owned business," 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. 2318, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 566-12) recommending that H.B. No. 2402, 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 Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2402, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RECREATIONAL ACTIVITIES," passed Second Reading and was referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary, with Representatives Herkes and M. Lee being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 567-12) recommending that H.B. No. 2408, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2408, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 568-12) recommending that H.B. No. 2659, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2659, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Herkes and M. Lee being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 569-12) recommending that H.B. No. 2869, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2869, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. In support. My support though is to note to the Members that, and my apologies to them. There is a drafting error in the bill. Section 1 was accidentally bumped. That was not the intention of the Committee. So we'd like to just publicly note that, and ask the Committee on Finance, if they are willing to hear the measure, if they can help us correct that oversight. 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. 2869, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ECONOMY," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 570-12) recommending that H.B. No. 2145, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2145, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. I'm rising to cast a no vote and if I may explain why. Thank you. Mr. Speaker, this bill, relating to economic development, expresses the State policy and intent to complete or facilitate the completion of a list of special economic development projects by December 31 the year 2023.

"If you look at page 2 of the bill, one of those special projects that it would become our State policy to complete is the interisland cable, and I think that there have been some concerns expressed about that Interisland Cable System; the cost of it, and whether it's actually necessary. It is buried within this bill.

"Another section, on page 3, there are some in this Body that do not believe that the Fixed Rail System is the best way to go for the Island of Oahu. On page 3, line 10, that becomes another project that becomes our policy as legislators to complete this Fixed Rail System. So those are two of the problems that I see within the bill, and those are driving my no vote. Thank you."

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

"Reservations and a brief comment. I share the concerns of the Representative from Kailua and also I noticed that it recommends that we're going to support a 650 foot tower in Kakaako. I think there's a lot of room yet for 400 foot towers before we go in to these ultra skyscrapers, so I'm opposed to that project in particular. But I will vote with reservations for this one. Thank you."

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

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

"Kako'o 'ole. Makemake au ka ha'i 'ōlelo no ko'u hoa mai Kailua mai i loko ka Puke Hale Maka'ānana e like me ko'u mana'o."

Representative Hanohano provided the following translation:

In opposition. I'd like to have the words of my colleague from Kailua as if they were my own entered into the House Journal.

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

"Mr. Speaker, I vote with reservations. The Representative from Kailua expressed my sentiments and I'd like to have her words incorporated as my own," and the Chair "so ordered." (By reference only.)

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

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

"Thank you, Mr. Speaker. In opposition, and may I make a few remarks? Mr. Speaker, this bill is a representation of a number of bills that are seeking to move forward that are very disturbing. The identification of specific projects as the Representative of Kailua identified, are projects of such large scale and of such specific nature that it's not appropriate for these types of projects to be identified in Chapter 226, Hawaii Revised Statutes, which speaks very broadly to the planning processes of the State. While this bill has been changed and amended so it does not say that these things will be mandated, the very fact that these are identified, some of them very good projects that I happen to agree with, does not make it appropriate in this Chapter.

"I would also echo the comments from the Representative from Kailua that there are questions, serious questions about some of these projects. Questions that we know, projects that we know, that will be the matter for a referendum of sort in the coming election. I find it highly inappropriate that this bill is moving forward and I urge my colleagues to vote no. Thank you, Mr. Speaker."

Representative Wooley 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. 2145, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Belatti, Hanohano and Thielen voting no, and with Representatives Herkes and M. Lee being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 571-12) recommending that H.B. No. 2582, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2582, HD 2, entitled: "A BILL FOR AN ACT RELATING TO APPEALS TO THE APPELLATE BOARD," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representatives Mizuno and Yamane, for the Committee on Human Services and the Committee on Health presented a report (Stand. Com. Rep. No. 572-12) recommending that H.B. No. 1689, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committees was adopted and H.B. No. 1689, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM CARE," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 573-12) recommending that H.B. No. 1800, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1800, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 574-12) recommending that H.B. No. 2574, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2574, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NOTIFICATION OF CHAPTER 91 HEARINGS," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 575-12) recommending that H.B. No. 2011, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2011, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

Representative Jordan 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. 2011, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INVOLUNTARY PSYCHIATRIC HOSPITALIZATION," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 576-12) recommending that H.B. No. 2700, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2700, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 577-12) recommending that H.B. No. 2193, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2193, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ADULT GUARDIANSHIP AND PROTECTIVE PROCEEDINGS JURISDICTION," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 578-12) recommending that H.B. No. 835, HD 1, be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 835, HD 1, be referred to the Committee on Finance, seconded by Representative Evans.

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

"Mr. Speaker, I wish to speak with very strong reservations on this measure. When you have a constitutional amendment of this sort here, in case of emergency, you cannot move that money. As an illustration, in 1978, we provided a constitutional amendment that when there are two

successive years where you have a five percent increase in revenue, we must return the money to the taxpayers. I voted against that measure because back then I felt it would hurt those programs that needed help, whether it was human services, health or etc. We have attempted in the past to repeal the constitutional amendment, and the measure failed, I believe a couple of times. So what has happened is that we have to, by law, insert a million dollars in repayments to the people of the State of Hawaii. That's \$1 per person which does nothing, but in effect it hurts the budget. That \$1 million could be going to serve some more appropriate project in health or human services and etc.

"Now this here will do the same thing. I believe it amounts to almost 30% of the revenue that has been set aside to assist in the liability of the retirement program. And yes, that's a noble request. However, when you make a constitutional amendment, you make it in cement, and it'll be impossible to change in the future should you want to change that. And we all know right now there are many programs throughout the State that are running at about 45%, when they should be running at 100% or 80%. Something like this will hamper that, however the good intentions. So this message is intended for the Finance Committee, and I do hope that they will consider the statement that I have made as they go along with their decision making. Thank you."

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

"Thank you, Mr. Speaker. In support with reservations. This is the same serious reservation as the previous speaker. I would like his words entered into the Journal as if they were my own. However, I would like a few additional comments.

"The unfunded liability issue is a huge issue. Make no mistake about it, Mr. Speaker. We have to address this. It is coming. Otherwise, the people today aren't going to be able to get the benefits that they're working so hard to put in. But at the same time the previous speaker is correct. When you do a Con Am amendment, it is set in stone. And history shows during fluid circumstances, we need to have the flexibility, and that's what concerns me so much about the measure. I believe the cause is noble. But I think it ties our hands. Look what we learned from the appointed school board Con Am. Thank you, very much."

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

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

"Ho'omalu 'ōlelo, ke kū nei au ke kako'o me ke kanalua."

Representative Hanohano provided the following translation:

Mr. Speaker, I rise with reservations.

Representative Johanson rose in support of the measure with reservations and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Johanson written remarks are as follows:

"I rise in support with reservations on HB 835 relating to the disposition of excess revenues. The unfunded liabilities for the pension system and other post-employment benefits for State employees continue to be problems that our State government must address. I honor the intent of this bill and am willing to consider this measure before us because I understand the gravity of the situation our State faces if substantial changes are not made to address these unfunded liabilities.

"However, I do not know if this particular mechanism is the best way to accomplish funding these liabilities. I am not sure that a constitutional amendment proposed in this bill to use excess general fund revenues to pay down the liabilities is necessary to accomplish the outcome that the State of Hawaii must achieve.

"Moreover, I have reservations about using excess tax revenue as the primary means to pay down the debt; in principle this excess tax revenue belongs to the taxpayers of Hawaii, which is why I believe the Constitution was originally framed in this manner. I have some concerns regarding both the mechanism in this bill, as well as some of the general taxation principles underpinning it. For those reasons, I am voting with reservations on HB 835."

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

"Thank you, Mr. Speaker. Also with reservations. I don't think we should earmark in the Constitution."

Representative Ching rose in support of the measure with reservations 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 stand with reservations of H.B. 835 HD1, which proposes a constitutional amendment to Article VII, Section 6 of the State Constitution to authorize the Legislature to deposit excess general fund revenues into a fund to fund pension benefits and other post-employment benefits for State employees.

"This bill provides protection to State employees to receive full pension benefits and post-employment benefits they have rightfully earned, as well as lowers the risk of unfunded liabilities. According to the testimony provided by Mr. Wesley K. Machida, Administrator of the Employers' Retirement System, "As of June 30, 2010 the ERS had an unfunded actuarial accrued liability (UAAL) OF \$7.1 billion."

"As the bill currently stands un-amended, excess Employee Retirement System investment earnings are transferred back to the State without allowing a set allocated amount to remedy unexpected market volatility that effect pension funds. I support that this bill addresses the issues of unfunded liability; however this bill should be explored further as we do not yet know the impact of this bill if provisions were implemented. Thank you."

Representative Fontaine rose and asked that the Clerk record an aye vote with reservations for him, 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 Rhoads rose to speak in support of the measure, stating:

"Mr. Speaker, in support. Members should note that this only applies if they general fund growth is more than 7%. So I think the flexibility issue probably would be extremely unlikely to come into play, because if the county were growing that fast, we're in pretty good shape.

"Desperate times call for desperate measures. The amount of money that we owe for the Employees Retirement System and the health trust fund, is approximately \$20 billion over the next 30 years. In years where we have money, and we're growing that fast, that's the time to save money, and that's why that particular number was chosen, but I don't think we can. The problem is what would happen otherwise is we'd be giving a tax refund. While the tax money of course is taxpayers' money, the debts are taxpayers' debts as well, and we have to deal with those, too. 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. 835, HD 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 6, OF THE HAWAII CONSTITUTION, RELATING TO THE DISPOSITION OF EXCESS REVENUES," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 579-12) recommending that H.B. No. 1967, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1967, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL CLAIM CONCILIATION," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 580-12) recommending that H.B. No. 2590, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2590, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AQUATIC RESOURCE VIOLATIONS," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Yamashita, for the Committee on Legislative Management presented a report (Stand. Com. Rep. No. 581-12) recommending that H.B. No. 2179, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2179, entitled: "A BILL FOR AN ACT RELATING TO THE AUDITOR," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Yamashita, for the Committee on Legislative Management presented a report (Stand. Com. Rep. No. 582-12) recommending that H.B. No. 2751, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2751, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. I'm rising with reservations, on this Relating to Offenses Against Public Administration. Thank you. The bill, when I read what it says, I realized it's in the Constitution. But to enact this into law seems to me to be bordering on infringing on freedom of speech.

"The language I'm talking about is, any person who isn't a member of the legislature who recklessly engages in contemptuous behavior committed in the presence of either house, which would interrupt or impair the respect due to such proceedings. It seems to me the language is too broad. And I believe that there are laws on the books that would really govern any behavior that would put people at risk. But we've all been here at the Capitol when there have been very heated issues. And when people come to express their opinions, and that's the way it should be, this is the people's House, and we should be able to handle being the recipients of the free speech that is expressed to us as decision makers. I'm afraid this somewhat crosses the line, and it's just not that necessary to do. Thank you."

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

"Thank you, Mr. Speaker. With strong reservations. While I appreciate and especially respect the individuals who testified in support of this proposed draft, my concern, and it is noted in the Committee Report, is that this not only violates the principles of free speech as enunciated by the Representative from Kailua, but also seriously violates separation of powers by making us, the House or the Senate both the enforcer and enactor of the laws, and the implementer of potential fines and penalties.

As this moves forward, I hope that obvious defect is fixed, but there are still other serious reservations with this measure. Thank you, Mr. Speaker."

Representative C. Lee rose to speak in support of the measure with reservations, stating:

"Thank you. Just note my reservations. I do, again, appreciate the concerns of the House Sergeant-at-Arms who does have the responsibility for enforcing what happens here at the House and protecting us and the process. But I do have concerns and quite frankly, if we're allowed to be belligerent and contemptuous here on the Floor, without penalty, then the public should be allowed to as well."

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

"Thank you, Mr. Speaker. In strong support. I'd just like to say that we all appreciate the work that the Sergeants do on both sides. This is just a matter of clarifying some of the things that haven't been clarified in the past. Thank you, Mr. Speaker."

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

"Ho'omalu 'olelo, ke kū nei au ke kako'o me ke kanalua."

Representative Hanohano provided the following translation:

Mr. Speaker, I rise with reservations.

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

"Just a point of clarification. I just wanted to clarify that we are not allowed to be belligerent, and the Speaker does according to our House Rules, we allow the Speaker to remove one of us from the Floor, and we have to comply with that. In fact, my colleague on my left has been asked to be removed from the Floor in the past, and he had to be removed. I was just making a point of clarification, and I'm in strong support of this measure."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2751, HD 1, entitled: "A BILL FOR AN ACT RELATING TO OFFENSES AGAINST PUBLIC ADMINISTRATION," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Herkes and M. Lee being excused.

Representative Yamashita, for the Committee on Legislative Management presented a report (Stand. Com. Rep. No. 583-12) recommending that H.B. No. 2175, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2175, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ETHICS," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Herkes and M. Lee being excused.

Representative Yamashita, for the Committee on Legislative Management presented a report (Stand. Com. Rep. No. 584-12) recommending that H.B. No. 1611, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1611, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE SUNSHINE LAW," was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Tsuji, for the Committee on Agriculture presented a report (Stand. Com. Rep. No. 585-12) recommending that H.B. No. 280, HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 280, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Tsuji, for the Committee on Agriculture presented a report (Stand. Com. Rep. No. 586-12) recommending that H.B. No. 1943, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 1943, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

Representative Marumoto's written remarks are as follows:

"As this brown tree snake bill slithers through the legislative process, I am excited for the early detection on the radar. House Bill 1943, House Draft 1 would fund the plant quarantine detector dog program. I have been a strong proponent for many years. These dogs and their handlers will help keep Hawaii safe from invasive species such as the brown tree snake, which has devastated Guam and currently causes over \$4 million in damage to its electrical systems. These types of power outages could be extremely devastating to our local businesses as they fight their way out of this quagmire economy.

"If this bill passes, the program will take some time to get up and running. We can speed up the protection of our State by encouraging the Department of Agriculture to contract with private dog handlers, who have dogs who are already trained and ready to go into the field to protect our State from invasive species.

"Whether the Department uses a private contractor or hires civil servants to fill these positions, this program needs to be activated so Hawaii will be protected from an invasion of critters. We can then continue to enjoy the beauty that is Hawaii."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1943, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INVASIVE SPECIES," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Tsuji, for the Committee on Agriculture presented a report (Stand. Com. Rep. No. 587-12) recommending that H.B. No. 1947, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 1947, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

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

"Reservations on the Relating to Agriculture measure. I believe it could hurt the small farmers."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1947, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representatives Tsuji and McKelvey, for the Committee on Agriculture and the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 588-12) recommending that H.B. No. 2151, as amended in HD 1, pass Second Reading and be referred to the Committee on Water, Land, & Ocean Resources.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committees was adopted and H.B. No. 2151, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL-BASED COMMERCIAL OPERATIONS," passed Second Reading and was referred to the Committee on Water, Land, & Ocean Resources, with Representatives Herkes and M. Lee being excused.

At 12:51 o'clock p.m., Representative Chong requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 12:52 o'clock p.m.

Representative Coffman, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 589-12) recommending that H.B. No. 2670, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2670, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes and M. Lee being excused.

Representative Coffman, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 590-12) recommending that H.B. No. 2611, as amended in HD 1, be referred to the Committee on Judiciary.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2611, HD 1, be referred to the Committee on Judiciary, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. I'd like a no vote, and I'd like to explain. The Department of Transportation is asking for an exemption from Chapter 343 for certain actions. The Department can and should go to the Environmental Council and go through the process for getting the exemptions under their rules. That can happen. The Environmental Council is up and operating, and the DOT should not come to us to ask us to enact legislation to take care of what that Department can and should do on its own, with the Environmental Council. There's a process for what they want to have accomplished, and it's not here in this Body. Thank you."

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

"With reservations and brief comments. The testimony was, and on questioning, the Department of Transportation already has the authority to exempt or move beyond without environmental reviews for minor projects. The point of the law is that they actually have to make a decision. If they're going to study the interface of a driveway, for example, onto the road, they're already looking at the project. So they just have to consider if there's likely or potential impacts. If there are no likely impacts, they can move on without a full environmental review. So the testimony was that it's not necessary.

"There were comments made by the Office of Environmental Quality Control that, to that effect, that it's not necessary. But if the Members feel it is necessary to go forward, then certain amendments were put in to clarify. Thankfully the Chair of EEP has put that in. So the bill at this point is not necessarily bad in its current form, but it's not really necessary. Thank you."

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

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

"Ho'omalū 'ōlelo, ke kū nei au ke kako'o me ke kanalua."

Representative Hanohano provided the following translation:

Mr. Speaker, I rise with reservations.

Representative Belatti 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. 2611, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL IMPACT STATEMENTS," was referred to the Committee on Judiciary, with Representative Thielen voting no, and with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Coffman, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 591-12) recommending that H.B. No. 2669, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2669, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Coffman, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 592-12) recommending that H.B. No. 2121, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2121, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. Another no vote on behalf of the environment. Mr. Speaker, I don't see why we would want to prohibit State and county agencies from entering into an energy agreement or a contract to install a renewable energy system with a private provider. I just am not quite sure what is going on, but I know the bill does authorize the issuance of general obligation bonds for renewable energy systems for State facilities, but it impacts or impedes any power purchase between government agencies and the private sector. I would think we would want to encourage all sorts of different methods for getting our State to our renewable energy goal by the year 2030. Thank you."

Representative Pine rose and asked that the Clerk record a no vote 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 Thielen rose to respond, stating:

"Mr. Speaker, my second time, I know. But I would encourage the Members to look at the testimony that was overwhelmingly in opposition to House Bill 2121, Standing Committee Report No. 592. Take a look at what the opponents to this measure are saying, and it comes both from county governments, as well as environmental groups. Thank you."

Representative Pine rose to respond, stating:

"I'm sorry. Can I make additional comments on why I'm voting no? Right now, I'm working with different schools in my community, very old schools whose energy costs are very, very high. We're looking at various ways to be creative that would save the school money, as well as upgrade old schools that can't take on anymore electricity, for example Campbell High School in Ewa Beach. Their system is so old that they can't run a microwave and a fan at the same time in one of their buildings. So since it's too expensive to upgrade their electrical system there, it would be cheaper to use renewable energy to get the energy from those sources. So I hope if this moves forward that we can exclude some of those schools from being included in this bill. Thank you."

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

"Ho'omalū 'ōlelo, ke kū nei au ke kako'o me ke kanalua."

Representative Hanohano provided the following translation:

Mr. Speaker, I rise with reservations.

Representative C. Lee rose to speak in support of the measure with reservations, stating:

"Thank you. Just note my reservations, please. And I'd like to note that according to the Committee Report, nobody testified in support."

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

"In support, Mr. Speaker. Yes, I want to help clarify an issue here that's going on. As the previous speaker talked about, yes there was no positive support for this bill. The reason for that is that none of these agencies realize that the State is providing 24.5% of refundable tax credits for these projects. So moving this bill on to Finance, we want to really analyze what is the real cost of these projects, and is there really a return on the investment. I know that the DOE testified they need \$130 million. Well if the State kicks in another 24.5%, we're in excess of an addition \$30 million for these projects. It may make more sense to finance these things out of the capital improvement project. 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. 2121, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY," passed Second Reading and was referred to the Committee on Finance, with Representatives Pine and Thielen voting no, and with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Hanohano, for the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 593-12) recommending that H.B. No. 2848, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2848, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Hanohano, for the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 594-12) recommending that H.B. No. 2820, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2820, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN FISHPONDS," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Hanohano, for the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 595-12) recommending that H.B.

No. 2672, pass Second Reading and be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2672, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

"Mr. Speaker, with reservations on HB No. 2672. My concern is that I'm not sure whether this unites us or divides us, particularly when the issue of the Hawaiian Nation goes to the federal government, and how they may be perceiving this. How we see it I think, is going to be different. But how they may see this thing may be entirely different. So if we're going the long run for Hawaiian sovereignty, I think we have to have a bit of circumspection as we pass this along. 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. 2672, entitled: "A BILL FOR AN ACT RELATING TO THE OVERTHROW OF THE HAWAIIAN KINGDOM," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representatives Cabanilla and Mizuno, for the Committee on Housing and the Committee on Human Services presented a report (Stand. Com. Rep. No. 596-12) recommending that H.B. No. 1735, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Chong moved that the report of the Committees be adopted, and that H.B. No. 1735, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

"Yes, Mr. Speaker. I'd like to note my reservations, please. As it is currently written, I can't support this. Thank you."

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

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

"Ho'omalū 'ōlelo, ke kū nei au ke kaka'o me ke kanalua."

Representative Hanohano provided the following translation:

Mr. Speaker, I rise with reservations.

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

"In support. Thank you, Mr. Speaker. I just wanted to make a clarification. This is to have a Hawaii Interagency Council on Homelessness. I just wanted to share with the Members, the Department of Labor, the Department of Human Services, the Department of Health, they all supported this measure.

"We need to do this because we need to have better coordination as we deal with homelessness. Right now we've got the county, the State, the federal government, nonprofits, they're a bunch of silos, Mr. Speaker. Unless we unite, we're not going to address homelessness. We need a short term plan, and a long term plan, and this bill gets it out. Thank you, Mr. Speaker."

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

"Mr. Speaker, in favor. I would like to mention that there is a federal legislation called the Federal Interagency Council on Homelessness, and

this could be a measure for us to get federal funding for our homeless population. Thank you, Mr. Speaker."

Representative Jordan rose to respond, stating:

"Thank you, Mr. Speaker. May I respond? Maybe I should be a little more clear. My reservations are not with the establishment with the Interagency Council on Homelessness. I sit as a backup representative on that current Council. My reservations happen to be with requesting the task force to look at safe havens, which the Council currently does not support. That's my reservation. 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. 1735, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HOMELESS," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Cabanilla, for the Committee on Housing presented a report (Stand. Com. Rep. No. 597-12) recommending that H.B. No. 2575, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2575, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. I will address House Bill 2575 with reservations. I note on page 10 that we are going to raise the fees for amusement rides, and as far as I know, we only have one amusement ride company on this island. This seems to be very onerous. So the additional fees will be assessed at the rate of \$300 per day for up to 2 hours, and up to \$600 dollars per day for more than 2 hours. Fees for overtime hours shall be \$600 per day for up to 2 hours, and \$1,200 per day for more than 2 hours. So we will closely examine this in the next Committee. 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. 2575, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE BOILER AND ELEVATOR SAFETY LAW," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Cabanilla, for the Committee on Housing presented a report (Stand. Com. Rep. No. 598-12) recommending that H.B. No. 2144, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2144, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Awana, for the Committee on International Affairs presented a report (Stand. Com. Rep. No. 599-12) recommending that H.B. No. 2608, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2608, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVER LICENSING," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Aquino, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 600-12) recommending that H.B. No. 2642, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2642, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FIREWORKS," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Aquino, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 601-12) recommending that H.B. No. 2358, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2358, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

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

Representative Belatti 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. 2358, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE BUILDING CODE," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Aquino, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 602-12) recommending that H.B. No. 2313, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2313, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative Evans.

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

"Yes, Mr. Speaker. My reservation is that the language is kind of broad. This provides for a felony, and again we have too many felonies. Our jail is overfilled. It could be possibly a lesser situation where a felony is not warranted. So I think we should relook at this measure. Thank you, very much."

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

"I have the same sentiments, Mr. Speaker. With reservations, and I would like the words of the gentleman from Maui to be recorded as if they were my own. Thank you," 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. 2313, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RESISTING ARREST," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Aquino, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 603-12) recommending that H.B. No. 2599, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2599, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REENTRY INTAKE SERVICE CENTERS," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Aquino, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 604-12) recommending that H.B. No. 2113, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2113, entitled: "A BILL FOR AN ACT RELATING TO FIRE PROTECTION," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Aquino, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 605-12) recommending that H.B. No. 679, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 679, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Aquino, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 606-12) recommending that H.B. No. 1874, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1874, entitled: "A BILL FOR AN ACT RELATING TO VOG," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Aquino, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 607-12) recommending that H.B. No. 2598, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2598, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PRE-SENTENCE REPORTS," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 608-12) recommending that H.B. No. 116, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 116, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL ENTERPRISE ZONES," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 609-12) recommending that H.B. No. 2306, as amended in HD 1, pass Second Reading and be referred to the Committee on Economic Revitalization & Business.

By unanimous consent, action was deferred to the end of the calendar.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 610-12) recommending that H.B. No. 2152, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2152, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 611-12) recommending that H.B. No. 2260, HD 1, as amended in HD 2, be referred to the Committee on Economic Revitalization & Business.

By unanimous consent, action was deferred to the end of the calendar.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 612-12) recommending that H.B. No. 1758, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1758, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS DEVELOPMENT IN HAWAII," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 613-12) recommending that H.B. No. 1829, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 1829, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative Evans.

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

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

"Mr. Speaker, may I ask a ruling on a potential conflict? I am a sublessee for a property on Kalani Street, as the President of Kotake Shokai. I am also an officer of Tokyo Bento in Mapunapuna who is a sublessee even though I do not operate the business there. Thank you," and the Chair ruled, "no conflict."

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

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

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

"Ho'omalū 'ōlelo, ke kū nei au ke kako'o me ke kanalua."

Representative Hanohano provided the following translation:

Mr. Speaker, I rise with reservations.

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1829, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LEASES," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 614-12) recommending that H.B. No. 2576, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2576, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY LAW," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representatives McKelvey and Nishimoto, for the Committee on Economic Revitalization & Business and the Committee on Higher Education presented a report (Stand. Com. Rep. No. 615-12) recommending that H.B. No. 2873, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committees was adopted and H.B. No. 2873, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PACIFIC INTERNATIONAL SPACE CENTER FOR EXPLORATION SYSTEMS," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representatives McKelvey and Awana, for the Committee on Economic Revitalization & Business and the Committee on International Affairs presented a report (Stand. Com. Rep. No. 616-12) recommending that H.B. No. 2240, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committees was adopted and H.B. No. 2240, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representatives Chang and Cabanilla, for the Committee on Water, Land, & Ocean Resources and the Committee on Housing presented a report (Stand. Com. Rep. No. 617-12) recommending that H.B. No. 1722, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committees was adopted and H.B. No. 1722, HD 1, entitled: "A BILL FOR AN ACT RELATING TO POLICE POWERS," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representatives Chang and Hanohano, for the Committee on Water, Land, & Ocean Resources and the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 618-12) recommending that H.B. No. 1972, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Chong moved that the report of the Committees be adopted, and that H.B. No. 1972, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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. 1972, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representatives Chang and Hanohano, for the Committee on Water, Land, & Ocean Resources and the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 619-12) recommending that H.B. No. 2398, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Chong moved that the report of the Committees be adopted, and that H.B. No. 2398, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

"Ho'omalū 'ōlelo, Ke ku nei au me ke kako'o a me ke kanalua hohonu loa.

"He pila hewa kēia. Aia I hea nā leo 'o nā po'e 'o Kona, mai Honokohau mai. 'A'ohe pono nā hana ana. 'O ku'u hoa luna maka'ānana, 'a'ohe lawa nā kukakuka ana ma kēia pila e pili ana ka wahi pana 'o Honokahau. E 'uwe ka 'āina a me nā po'e apau loa mai kona mai. He aha no no'i kō lāua 'ano? 'ōia no lāua e ho'okomo a me ke kākau no me kēia pila. Ina e lāua e kukakuka me nā kupa 'O ka 'āina, 'ōia no ka mea pono. He pila lapuwale! Ina e ho'oponopono nā mana'o i loko 'o kēia, 'ōia ka mea nui. E 'ōlelo hou ko'u mana'o, kako'o a me ke kanalua hohonu loa. E hele kākou me ka akahale i ka imi pono. Mahalo."

Representative Hanohano provided the following translation:

Mr. Speaker, I rise with deep reservations.

This is a wrongful bill. Where are the voices of the Kona people from Honokahau. This is not the right process. My colleagues didn't have enough discussion on this bill which concerns the special place of Honokahau. The land and the people of Kona are crying. What is wrong with my colleagues that introduced this bill if they had more discussion with the generational people of the land (Honokohau) that is the proper process. This is a worthless bill. If we make right the concern in the bill that is the greatest justice. Again I repeat my deepest reservation. We need to carefully seek the proper justice. Thank you.

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

Representative Belatti 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. 2398, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representatives Chang and Hanohano, for the Committee on Water, Land, & Ocean Resources and the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 620-12) recommending that H.B. No. 2246, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Chong moved that the report of the Committees be adopted, and that H.B. No. 2246, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

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

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

"Ho'omalū 'ōlelo, ke kū nei au me ke kako'o me ke kanalua."

Representative Hanohano provided the following translation:

Mr. Speaker, I rise with reservations.

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and H.B. No. 2246, HD 1, entitled: "A BILL

FOR AN ACT RELATING TO HAIKU VALLEY," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 621-12) recommending that H.B. No. 2103, HD 1, be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2103, HD 1, be referred to the Committee on Finance, seconded by Representative Evans.

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

"Mr. Speaker, I rise in opposition. Mr. Speaker, I rise in opposition from two perspectives. The first, from the study that was done by the Federal Reserve of Boston. I'll just review that, because I've basically said this previously. And secondly, from the perspective from the Hawaii bankers, our own bankers and what they feel about them.

"First in review, is a reminder to this Body that this is not an FDIC bank that would be guaranteed by the feds, by the nation. This would be guaranteed by the taxpayers of Hawaii, if anything went wrong. Because the intent here is to buy basically toxic mortgages, and those people who have not been able to keep their house. The second reminder is that there's only one state bank in the whole nation and basically state banking is a third-world phenomenon. I think we had some discussion about China on the Floor in that regard. The other point was that even though the Bank of North Dakota began in 1919 at a capitalization start up cost of \$2 million. The extrapolation and the equivalent of that in today's dollars for Massachusetts was \$3.6 billion. Mr. Speaker, where are we going to have \$3.6 billion. Even if it's half of that, the cost for starting up is tremendous.

"The other reminder of the study, and again this is not me talking, the Federal Reserve Bank and their study center said that the governance model that is used in North Dakota, if we replicate that governance model. The commissioners are three, two of which, one is the Governor of the State of North Dakota, the second is the Attorney General. If we follow that, that puts Mr. Louie and Mr. Abercrombie front and center. And the other thing they said about governance was the budget of the Bank of North Dakota is actually funded by the legislature. That's us if we follow their model.

"The last point, Mr. Speaker, was that we tend to think that this would be a great shot in the arm because of the economy of North Dakota is one of the leading economies. It's like 3.3% unemployment. But the study went on to say that that's basically because of the oil extraction industry that has caused this to happen. So my sense is if we think this is a savior, we're, I think, going to be sadly mistaken. That's the first perspective, and that's basically a review.

"Now bringing our banker's perspective front and center through the testimony of the Hawaii Banker's Association. I'd like to recap a couple of the points that they make. And remember, this is First Hawaiian speaking. This is Bank of Hawaii speaking. These are all of those who represent our constituents basically, and who we are as a State, wanting to start out and put a state bank in place to compete with them. First of all as bankers, they would like to see a business plan. And I know the sister bill of this that came up yesterday was the, quote, 'task force,' but they say there's not really a plan to do this. There's an idea, and bankers like to have numbers and logic before they move on anything.

"But particularly bankers like to know how are you going to collateralize this? How are you going to actually fund it? So without a funding source, they're at a questioning position. How and when and where \$3 billion, or if even it is a billion dollars, even \$500 million to start this thing up. If we're going to buy thousands of toxic mortgages. They again report that this is State liability, and can the State with its bond rating now actually afford to extend credit out in such a way.

"I want to read, word for word the notion of a policy conflict which they mention in their testimony. They said that there could be a potential public policy conflict of the bank's mission. This is the Bank of the State of Hawaii. Of doing social good instead of running a sound bank for profit. The potential exists for politics to influence lending policies that lead to lower quality loans with increased likelihood of non-payment.

"Mr. Speaker, having worked in the third world with the United Nations for a number of years, I know for sure, state-owned banks are influenced by politics, real influence and this is a real possibility. We're voting on a bank and our elected officials are running the bank. Assuming that we follow that model, we are mixing dangerous, dangerous elements together.

"They also said tying up public funds incorrectly may be a problem. I want to read what they mean by this. It is a fundamental error to match short-term assets ..."

Representative Say rose to yield his time, and the Chair "so ordered."

Representative Ward continued, stating:

"Mr. Speaker, you are a gentleman and a scholar. Thank you, both Speakers. It is a fundamental error to match short-term assets, that is operating income, with long-term liabilities, for example thirty-year mortgages. Unlike a bank that has short-term and long-term assets, as well as short-term and long-term liabilities, a state bank will have short-term assets and thus buying long-term liabilities may not be in the best interest of the State. Generally speaking, these mortgages that are intended to be bought are long-term liabilities, Mr. Speaker.

"They also note unfair competition. What about the State Bank of Hawaii which would have tax-free status and not have to comply with costly federal regulations. That's really a leg up because federal regulations are getting more and more onerous, since the great recession.

"They brought up the question, will we be bailing out toxic lenders. I translate that into, will we be bailing out basically, Wall Street which was already bailed out. Helping subprime loans is very risky, Mr. Speaker. And let's face it, there have been a number of 'liar loans' where people made up their income in order to get this, or even some of the people taking the applications, made up the income, and the intent of this bank is to buy those loans. Mr. Speaker, that's very, very risky. If we're going to bail out the bail out, we have to be a pretty rich state to do that.

"Lastly, the bankers feel that the existing loan programs that are out there are sufficient to cover this. And because of the precarious economic position and the precarious State budget position, this is probably not the best thing to do.

"So in conclusion, Mr. Speaker, the bankers on the East Coast, the Federal Reserve did a study. The Massachusetts people looked at the study and said, 'Whoa, we're going to make a mistake if we do this,' and they backed off. The study's only fresh, from May 2011, so this is not ancient data. So if we are looking at reinventing the wheel, we then, if we can't trust the Boston bankers, look at our own bankers who are saying, 'Guys, this is probably not a good idea. It's probably not a good time for doing it. It's probably not a good time for using tax payers' money.'

"So Mr. Speaker, I say let's not reinvent the wheel. Let's be wise in what our colleagues have done and not have to go to the moon to prove it's there. Thank you."

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

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. I stand in opposition of H.B. 2103, Relating to the Bank of the State of Hawaii, which would establish the Bank of the State of Hawaii. I am opposed to the bill both conceptually and

theoretically. The following paraphrases support my stance and are taken verbatim, respectively, from: Hawaii Bankers Association, Hawaii Credit Union League, State of Hawaii, Office of the Director, Department of Commerce and Consumer Affairs:

- Deserves a more thorough analysis and raises the questions: Can it be accomplished without risking the public's money? Can it be operated in a safe and sound manner?
- The State could be burdened with more costly bureaucracy, not to mention the initial banking infrastructure set up costs.
- There is an unknown funding source.
- The State would become liable for public deposits.
- There remains an inherent policy conflict; a state bank would make room for politics to influence lending policies.
- A State Bank would tie up public funds by turning them into loans.
- Bank would create unfair competition since it would enjoy a Hawaii tax-free status.
- Buying troubled loans would: a) Bail out toxic lenders, b) Provide defective mortgage titles, c) Make subprime mortgages.
- Funds being deposited would be uninsured by the State itself without the benefit of being insured by a separate entity like the national credit union administration (which insures all credit unions in Hawaii). This would be extremely precarious in the event that financial difficulty within the State and would place taxpayers at enormous risk.
- Chosen board members would require no experience whatsoever.
- Bank of North Dakota didn't profit for the first twenty-six years and that was in a far more suitable economic climate.
- The Bank of North Dakota is the only current state-operating bank, North Dakota is far different than Hawaii in almost every regard.
- A State Bank would significantly decrease capital reserves of existing banks and threaten their soundness.
- State's funds deposited in local banks are backed by bonds; it is unclear whether or not the State-owned bank would be backed by bonds.

"Significant statements such as those abovementioned should not be disregarded. Thank you."

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

"Yes, Mr. Speaker. Strong reservations, and wish I would have the remarks of the Representative from Hawaii Kai as my own," and the Chair "so ordered." (By reference only.)

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

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

"In opposition. I'll be brief. I often talk to people in the District, and I would encourage every Member in this Body to go out and ask people what they think about a State bank. The response is consistent and it's strong. Every time it's in opposition to this. I think people intuitively know this a bad idea. So, before this gets to a third vote, please ask folks and see what they say. Thank you."

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

"Mr. Speaker, I am in opposition to this bill. I note that the Attorney General, a federal program that will go into effect that brings \$71 million to address our mortgage problem here in Hawaii. It will help with many of our underwater mortgages. I'm hoping that this program will be beneficial to many of our homeowners. I think we should wait and see how this program will help before we go forward with this measure. Thank you."

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

Representative Johanson's written remarks are as follows:

"I rise in opposition to HB 2103 relating to a state-owned bank. I honor the intent of this measure and the goal of this Legislature to help those in our community who are threatened with foreclosure. With our State's ongoing fiscal situation, Hawaii residents continue to feel the burden of uncertainty regarding their jobs and their homes. I think it is our duty as legislators to pass legislation that will set our State on a path of fiscal solvency both in the short and long term.

"However, I have reservations as to whether or not the State of Hawaii is equipped to tackle a venture of this size and scope. The creation of a state-owned bank is an incredibly complex undertaking in relatively unknown territory for the State of Hawaii. Taxpayers should be assured the bank will possess the necessary expertise to properly operate. The State already struggles to balance and effectively govern its existing bureaucracies and I fear it may prove unwise to further burden a state government already stretched thin.

"I also believe the creation of a state-owned bank has the potential to create unintended negative consequences for our State's fragile economy and additional burdens on the people of Hawaii. This may be the case particularly if a state-owned bank lacks the necessary operational expertise and mechanisms to achieve its ultimate goal. For those reasons, I oppose this measure as currently drafted."

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

"Mr. Speaker, I rise in support. First of all I'd like to thank the Chair of the Consumer Protection Committee for moving this bill along, and to continue discussion on this very important matter. Just to clarify some comments that were made.

"First of all, understand that the Federal Reserve is a public/private partnership. Look at the composition of who sits on the Board of Directors of those institutions. Understand that they're not regulated by the Congress or the Senate. They are appointed by the President, and occasionally viewed by the money Committees in Congress when Mr. Ben Bernanke comes before them. But they really have total independent decision-making powers. The Federal Reserve is instrumental and central to the flow of money in our banking system. So understand that. It's not surprising that they would come out with an adverse opinion through the Boston Federal Reserve System.

"As far as the FDIC, much has been said about that, but I think people need to understand that the Federal Deposit Insurance Corporation does insure certain deposits, but only up to \$250 thousand per account. That's the limit. We certainly have more than \$250 thousand in assets and most of our liabilities, even today, are self insured. Again I think we need to remind ourselves that unlike my esteemed colleague who said that Bank of Hawaii and First Hawaiian represent our constituents, I think the truth is that we represent our constituents. I think that Bank of Hawaii and First Hawaiian Bank represent their shareholders, and that's well and good. That's their duty.

"A couple other points. As far as the Attorney General's recently announced settlement by 49 states with the five largest banks, and some \$26 billion. As of today, Mr. Speaker, I do not know the terms and conditions of the settlement. I know some general outlines of it, and in

speaking to some of the agencies and Deputy Attorneys General involved in the settlement discussions, they themselves have not seen the final terms and conditions of the settlement. So at this point in time, I do not know whether and how any of the settlement moneys will find its way to relieve our distressed homeowners.

"Furthermore, until such an order and judgment is approved by the Federal District Court, it is non-binding. It has no effect on the operations of the current practices going on with the robo-signing and other fraudulent acts taking place even today. So I believe the Chair in his wisdom wanted to have a vehicle to move forward until we can learn more about what's in the settlement. And equally important, what's not in the settlement, and when we might need to create an agency or have a government entity to pick up the slack, fill in the gap, and to make sure that our homeowners are protected. So again, I think we should move this bill forward. I ask Members to keep an open mind. Again, we work for the people of Hawaii who are our constituents, first and foremost. Thank you."

At this time the Chair stated:

"Members, we've had a lot of discussion. At this point the Chair will only allow for written comments. You will have another chance to comment in the Finance Committee. Representative Ward, would you like to submit your written comments?"

Representative Ward rose to respond, stating:

"Mr. Speaker. There have only been three people who have been speaking. Why written comments as a mandatory thing from the Speaker's podium. Please indulge me, just two minutes. One minute, if I may. Let's be fair. This is the market place of ideas. This is a big issue. This is a very important issue because it does taxpayers' issues with money. I don't want to be out of order, but I want to be able to speak for one minute.

"Thank you. First of all, the Federal Reserve is filled with economists. They're filled with bankers, people who have been around the block. I'm not saying we should worship them, but I think we should respect their opinion rather than throwing it out. Because as of a few months ago, Massachusetts was in the same trajectory as Hawaii. They looked at the data and said, 'Wow, those guys have done my homework. Why do we have to do this?'

"Secondly, I will not question the integrity of our banks, but I know one of the banks is the best in the nation, and if they're not looking out for the people of Hawaii, they would never get there. I think they probably feel a little bit sad that they're suspect in this toxic mortgage issue. The point is we're trying to put a round peg into a square hole. We need a mechanism to address this mortgage issue, not by creating a state bank and throwing the economy and the whole of federal and State funding into a tailspin. We have to be more rational. We need more economic and business thinking, not just the kneejerk; well we got a silver bullet from the bank of North Dakota.

"My point is, Mr. Speaker, let's be rational. Let's be objective. Let's look at the data, and then if the data says it, I'd be willing to concede to the Finance Chair if I'm wrong. Here's what the data says. But the data is so clear now, that this is not the best policy for the people of the State of Hawaii. Full stop. Thank you, sir."

Representative Pine 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. 2103, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE BANK OF THE STATE OF HAWAII," was referred to the Committee on Finance, with Representatives Ching, Fontaine, Johanson, Marumoto, Riviere, Thielen and Ward voting no, and with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 622-12)

recommending that H.B. No. 2504, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2504, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENTITIES REGULATED BY THE INSURANCE COMMISSIONER," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 623-12) recommending that H.B. No. 2524, HD 1, be referred jointly to the Committee on Finance and the Committee on Legislative Management.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2524, HD 1, be referred jointly to the Committee on Finance and the Committee on Legislative Management, seconded by Representative Evans.

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

"Mr. Speaker, I'm standing in reservation, with brief comments. I understand the intent of this Governor's bill regarding broadband and I commend my colleague, the Representative from Upcountry Maui, Ulupalakua and his endeavors. And I probably will yield the rest of my time for him to retort. But Mr. Speaker, this 170-page bill brings up some very questionable issues, and I just want to highlight it for some of the Members to be aware of what we are creating in this measure.

"Mr. Speaker, this measure will create what I would call a Telecommunications Czar in which cable, wireless and wired communications, would fall under this one Commissioner. This bill also allows the Commissioner, and is stated on page 17, 'The commissioner shall serve as a broadband information and application clearinghouse for the state and coordinate broadband related services and programs.'

"Mr. Speaker, this means one person will have this jurisdiction, as well as in this bill, we allow this one individual the ability to administer oaths, and serve subpoenas to witnesses and documentation. Mr. Speaker, this Commissioner will also be able to exercise, discharge or perform these duties and allow a designee of his choice or her choice to be allowed the same authority.

"Mr. Speaker, also this will allow the Commissioner to affect our PEG access. Mr. Speaker, the Commissioner may initiate and access organizations, educational institutions, or government agencies at anytime, at that person's request. They'll be also able to control, from my understanding of this bill, three cable stations, and can designate who and what is placed on it.

"Mr. Speaker, the other concern I have on this measure is that the Director of DCCA shall appoint the Executive Director of the Division of Consumer Advocacy, who shall be the consumer advocate in the hearing before the PUC.

"Mr. Speaker, I understand the intent of trying to move projects forward to the benefit of making Hawaii 100% broadband accessible, but Mr. Speaker, making a Telecommunications Czar with these far-reaching authorities do not only force companies to participate, but also could lose sight of where's the public input and the access to the people that we serve. Thank you, Mr. Speaker. I'll yield my time to the speaker from Ulupalakua."

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

"Thank you very much, Mr. Speaker. With reservations, and I'd like to adopt the comments from the Representative from Mililani. I also have concerns on this bill going forward, however it is important to note that this is a similar bill to what we did in 2010, which the Minority introduced

a bill, the House Majority introduced the bill, the Senate Majority introduced a similar bill, and the previous Administration introduced a bill.

"The purpose of this is to try and get one entity to have a focused approach on broadband, from an economic perspective. This measure currently gives too much authority to one person, and I also share those concerns. However, I think it is important that this measure move forward and that we continue down the road of looking for a certain agency maybe, or a mechanism that will accomplish these goals and look at it from an economic perspective first, if broadband is important for our infrastructural foundation going forward. And from a regulatory perspective, second, because that is also very, very important."

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

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

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

"Thank you, Mr. Speaker. I'd like to ask for a ruling on a potential conflict. I work in the hospitality division of the cable company in the State of Hawaii," and the Chair ruled, "no conflict."

Representative Tokioka continued to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I'd like to also note my reservations on this bill. I know that the next two Committees that it will be going to will be looking at it very closely. Thank you very much, Mr. Speaker."

Representative Fontaine 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. 2524, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE REGULATION OF TELECOMMUNICATIONS AND CABLE TELEVISION SERVICES," was referred jointly to the Committee on Finance and the Committee on Legislative Management, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 624-12) recommending that H.B. No. 2359, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2359, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PORTABLE ELECTRONICS INSURANCE," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representatives Herkes and Keith-Agaran, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 625-12) recommending that H.B. No. 1707, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Chong moved that the report of the Committees be adopted, and that H.B. No. 1707, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

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

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

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

"Yes, Mr. Speaker. With reservations, only because I think that this is a county responsibility rather than a State responsibility. Thank you."

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

"Thank you, Mr. Speaker. With reservations. My concerns that were raised previously have still not been addressed. Thank you."

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

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

"Ho'omalū 'ōlelo, ke kū nei au ke kako'o me ke kanalua."

Representative Hanohano provided the following translation:

Mr. Speaker, I rise with reservations.

Representative Har 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. 1707, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRANSIENT ACCOMMODATIONS," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representatives Herkes and Keith-Agaran, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 626-12) recommending that H.B. No. 1875, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Chong moved that the report of the Committees be adopted, and that H.B. No. 1875, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

"With reservations. Thank you. I would like to note that Members may have read the newspaper in the last few days that the numbers of foreclosures has grown substantially in the last reporting period. There's a huge backlog, and it's getting worse. The Judiciary is getting bogged down. Our great intentions last year have not solved the problem. By nearly all accounts of people in the industry, it has impaired the process.

"This legislation attempts to ameliorate some of the problems, but I believe it makes it even worse. In particular, the 180 days after the foreclosure conclusion in which the whole process can be voided and overturned is just unbelievable. As I mentioned before, if zero lenders have used the system to date, there will continue to be zero use of this bill.

"The two areas that really need addressing are the Unfair and Deceptive Acts Practices. Rather than tampering and making ambiguous determinations as to what we mean, that will still be an impediment to use of the program. So what we need to do is we need to repeal flat out, the Unfair and Deceptive Acts Practices. It still exists, and can still be called during the appropriate time, but we need to repeal that from the Act that we passed last year. And we need to shorten the mediation process from six and a half months, to three months. So with those two provisions, we might actually get some use of this. But this measure just makes an ugly program, worse. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and H.B. No. 1875, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FORECLOSURES," passed Second

Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representatives Herkes and Keith-Agaran, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 627-12) recommending that H.B. No. 2162, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committees was adopted and H.B. No. 2162, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNIFORM COMMERCIAL CODE ARTICLE 9," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 628-12) recommending that H.B. No. 2099, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2099, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 629-12) recommending that H.B. No. 2584, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2584, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NOTICE OF WORKERS' COMPENSATION INSURANCE," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 630-12) recommending that H.B. No. 2514, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2514, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 631-12) recommending that H.B. No. 2226, HD 1, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2226, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AN AUTOMATED VICTIM NOTIFICATION SYSTEM," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 632-12) recommending that H.B. No. 1797, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1797, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDITIONAL RELEASE," passed Second Reading and was referred to

the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 633-12) recommending that H.B. No. 1793, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1793, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONSERVATION AND RESOURCES," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 634-12) recommending that H.B. No. 1777, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1777, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PRODUCTION OF RECORDS," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 635-12) recommending that H.B. No. 2448, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2448, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MEDICAID," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 636-12) recommending that H.B. No. 1699, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 1699, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

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

"Yes, Mr. Speaker. With reservations. I believe that the lunch hour needs to be a little bit more flexible depending on the kind of operation you have. This bill does not provide that kind of flexibility that is needed. Thank you, very much."

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

Representative Fontaine rose and asked that the Clerk record an aye vote with reservations for him, 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 Hanohano rose to speak in support of the measure with reservations, stating:

"Ho'omalua 'ōlelo, ke kū nei au ke kako'o me ke kanalua."

Representative Hanohano provided the following translation:

Mr. Speaker, I rise with reservations.

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

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

"Mr. Speaker, in support. I represent a District where 40% of the population is born outside the country, not just outside of the State of Hawaii, but outside the country. Many of them don't speak English as a first language. Many of them don't speak English at all. Unfortunately there are still unscrupulous employers who take advantage of these facts and don't, among other things, don't give employees meal breaks.

"When I was growing up, my father owned a business. We had a small business with a maximum of maybe 10 or 11 employees. This bill would have had no affect whatsoever on our operations, because we gave meal breaks, like any good employer should. But unfortunately that's not always the case. And that's why I introduced the bill, and that's why I support it. Mahalo."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1699, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LABOR," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 637-12) recommending that H.B. No. 2789, as amended in HD 1, be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2789, HD 1, be referred to the Committee on Finance, seconded by Representative Evans.

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

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

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

"This is, I guess I'd call it the son of 'van cam,' and I'm voting no."

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

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

"Ho'omalua 'ōlelo, ke kū nei au ke kako'o me ke kanalua."

Representative Hanohano provided the following translation:

Mr. Speaker, I rise with reservations.

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2789, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," was referred to the Committee on Finance, with Representative Thielen voting no, and with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 638-12) recommending that H.B. No. 2868, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2868, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BAIL," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 639-12) recommending that H.B. No. 2174, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2174, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 640-12) recommending that H.B. No. 2600, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2600, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 641-12) recommending that H.B. No. 2798, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2798, HD 2, entitled: "A BILL FOR AN ACT RELATING TO A VETERANS TREATMENT COURT," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 642-12) recommending that H.B. No. 2235, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2235, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PROSTITUTION," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 643-12) recommending that H.B. No. 2790, as amended in HD 1, be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2790, HD 1, be referred to the Committee on Finance, seconded by Representative Evans.

Representative Riviere rose and asked that the Clerk record an aye vote with reservations for him, 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 McKelvey rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In support. The only reason I stand in support of this measure is because number one, in other countries they use this

system. But more importantly, we're suffering a huge rash of pedestrian deaths and injuries, much farther than any other State. It comes down to lack of enforcement. People know that nobody's watching so they tend to break the law. They run the lights and somebody gets hurt and killed. I think that's something I hope my colleagues and the people will keep in mind as we move forward, because this is a problem. And as far as I'm concerned, if a camera saves a life of somebody who's breaking the law, that's maybe a good thing."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2790, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 644-12) recommending that H.B. No. 2594, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2594, HD 2, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 12, OF THE HAWAII STATE CONSTITUTION TO ASSIST DAM AND RESERVOIR OWNERS," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 645-12) recommending that H.B. No. 1672, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1672, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 646-12) recommending that H.B. No. 2486, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2486, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNCLAIMED PROPERTY," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 647-12) recommending that H.B. No. 1995, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1995, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LABOR," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 648-12) recommending that H.B. No. 2589, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2589, HD 2, entitled: "A BILL FOR AN ACT RELATING TO VESSELS," was

referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 649-12) recommending that H.B. No. 2829, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2829, HD 1, entitled: "A BILL FOR AN ACT RELATING TO POST CONVICTION PROCEEDINGS," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 650-12) recommending that H.B. No. 2320, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2320, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 651-12) recommending that H.B. No. 2350, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2350, HD 2, entitled: "A BILL FOR AN ACT RELATING TO APPROPRIATIONS FOR THE HONOLULU FAMILY JUSTICE CENTER," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 652-12) recommending that H.B. No. 2515, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2515, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

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

"Mr. Speaker, with reservations on Committee Report No. 652. Particularly on the portion that raises the charge of second degree theft to \$750 dollars. The retail merchants came in and testified in strong opposition. Thank you."

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

"Thank you, Mr. Speaker. Reservations, for the same reasons."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2515, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CRIME," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representatives Keith-Agaran and Herkes, for the Committee on Judiciary and the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 653-12) recommending that H.B. No. 2192, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2192, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE ELDERLY," was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representatives Wooley, Hanohano and Takumi, for the Committee on Culture & the Arts and the Committee on Hawaiian Affairs and the Committee on Education presented a report (Stand. Com. Rep. No. 654-12) recommending that H.B. No. 1557, HD 1, as amended in HD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1557, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CULTURE," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Wooley, for the Committee on Culture & the Arts presented a report (Stand. Com. Rep. No. 655-12) recommending that H.B. No. 1556, HD 1, as amended in HD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1556, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CULTURE," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Wooley, for the Committee on Culture & the Arts presented a report (Stand. Com. Rep. No. 656-12) recommending that H.B. No. 2297, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2297, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PERFORMING ARTS," passed Second Reading and was referred to the Committee on Finance, with Representatives Herkes, Kawakami, M. Lee, Mizuno and Morikawa being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 657-12) recommending that H.B. No. 46, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 657-12 on H.B. No. 46, HD 2, was deferred and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 46, HD 2, were made available to the Members of the House.

At 1:49 o'clock p.m., Representative Chong requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 1:51 o'clock p.m.

THIRD READING

H.B. No. 2662, HD 1:

By unanimous consent, action was deferred one legislative day.

At 1:52 o'clock p.m., Representative Chong requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 1:53 o'clock p.m.

END OF CALENDAR**REPORTS OF STANDING COMMITTEES**

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 609-12) recommending that H.B. No. 2306, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative Chong moved that notwithstanding the recommendations contained in Standing Committee Report No. 609-12, that H.B. No. 2306, HD 1, be recommitted to the Committee on Economic Revitalization & Business, seconded by Representative Evans.

The motion was put to vote by the Chair and carried, and H.B. No. 2306, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHAPTER 328J, HAWAII REVISED STATUTES," was recommitted to the Committee on Economic Revitalization & Business, with Representatives Herkes, Kawakami, M. Lee, Morikawa and Saiki being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 611-12) recommending that H.B. No. 2260, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Chong moved that notwithstanding the recommendations contained in Standing Committee Report No. 611-12, that H.B. No. 2260, HD 2, be recommitted to the Committee on Economic Revitalization & Business, seconded by Representative Evans.

The motion was put to vote by the Chair and carried, and H.B. No. 2260, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL PROTECTION," was recommitted to the Committee on Economic Revitalization & Business, with Representatives Herkes, Kawakami, M. Lee, Morikawa and Saiki being excused.

ANNOUNCEMENTS**COMMITTEE ASSIGNMENTS**

The following measures were referred to committee by the Speaker:

H.R.**Nos. Referred to:**

28 Committee on Culture & the Arts

30 Committee on Judiciary

H.C.R.**No. Referred to:**

49 Committee on Judiciary

COMMITTEE REASSIGNMENTS

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

H.B.**Nos. Re-referred to:**

2302, Committee on Housing, then to the Committee on Finance
HD1

2808 Committee on Hawaiian Affairs, then to the Committee on Finance

2875 Committee on Hawaiian Affairs, then to the Committee on Finance

ADJOURNMENT

At 1:54 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 Tuesday, February 21, 2012. (Representatives Herkes, Kawakami, M. Lee, Morikawa and Saiki were excused.)