

H. B. No. 2799-74

The purpose of this bill is to authorize increasing sheriff's or police officer's fees in the District Courts for serving any civil summons, warrant, attachment, or other civil process from \$3 to \$4 until July 1, 1974 and then to \$5 thereafter. The bill further authorizes increasing sheriff's or serving or levying officer's fees in the Circuit or Supreme Courts for serving civil summons or any other civil process except a subpoena or a garnishee summons from \$3 to \$4 until July 1, 1974, and then to \$5 thereafter. For serving a subpoena or garnishee summons, the service fees are increased from \$2 to \$3 per person served.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of H. B. No. 2799-74 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 483-74 (Majority) Consumer Protection on H. B. No. 3024-74

The purpose of the bill is to enact a new chapter relating to Swap Meets. The bill's proposal prohibits any person from sponsoring a swap meet without a license, and swap meet is defined as an open market to which admission is charged and at which goods are purchased, sold, or exchanged. The intent of the bill is to curb the sale of stolen goods.

Your Committee on Consumer Protection is in accord with the intent and purpose of H. B. No. 3024-74 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Saiki, Roehrig and Uechi.

Representative Yuen did not concur.

SCRep. No. 484-74 Consumer Protection on H. B. No. 2589-74

The purpose of this bill is to control the activities of unlicensed contractors by amending the contractors license law as follows:

Section 1. Each applicant for a building permit is required to give his license number and state that it is in full force and effect.

Section 2. Prohibits any person from advertising as a contractor unless such person holds a valid license.

Section 3. Aiding or abetting an unlicensed person to evade the law is punishable as a misdemeanor.

Section 4. Redefines owner-builder as owner or

lessee of property who builds or improves a residential or commercial building on such property for his own use and does not offer it for sale or lease.

The amendments proposed are designed to control and abate the unlawful activities of unlicensed contractors. The intent of the bill is to protect the public from poor workmanship of unqualified persons who unlawfully conduct business as contractors.

Your Committee upon consideration of the bill has amended the exemption relating to an owner/builder. As amended, the requirements of the section will be met if the owner/builder occupies any portion of the building upon completion. The change will permit an owner/builder to build multiple dwellings or commercial buildings so long as he occupies a portion of the building. While H. B. No. 2589-74 provided that proof of sale within one year after completion is "prima facie" evidence that the construction was undertaken for the purpose of sale or lease, your Committee has amended the provision so the exemption requirements would be satisfied if the sale of the premises is made after the construction is completed. This will permit a home buyer an opportunity to scrutinize the finished product for defects and deficiencies. The change will still permit individuals or families to construct and sell improvements situated on their own lots. The intent of the amendment is to deter the practices of persons who are owners and in business to sell real estate on a regular basis. Your Committee believes that the owner-builder exemption was never intended for such practices.

Your Committee on Consumer Protection is in accord with the intent and purpose of H. B. No. 2589-74, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H. B. No. 2589-74, H. D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Carroll, Kihano, Medeiros and Roehrig.

SCRep. No. 485-74 Finance on H. B. No. 570

The purpose of this bill is to amend the statutes relating to the employees' retirement system of the State and the county pension systems by giving widowers the same rights as widows with respect to pensions granted or provided for, and with respect to accidental death benefits.

Your Committee on Finance is in accord with the intent and purpose of H. B. No. 570, H. D. 1 and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 486-74 Finance on H. B. No. 3096-74

The purpose of this bill is to establish the Hawaii Institute for Management and Analysis in

Government, within the department of budget and finance, as a means for improving and upgrading the quality of management and analysis of public programs by providing various kinds of training and assistance to government officers and employees in all branches at all levels of government in the State of Hawaii.

In order to implement all the provisions of Chapter 37, Hawaii Revised Statutes, the Executive Budget Act, it is necessary that the institute provide a continuing program to meet the specific training needs of managers at all levels in further improving their skills and abilities in conducting analysis of the efficiency and effectiveness of programs for which they are responsible as well as in how to make sounder day-to-day management decisions affecting these programs.

Because the department of budget and finance has the overall responsibility for operating the State PPB System and has the greatest involvement in implementing Chapter 37, HRS, it is appropriate that the institute be organizationally located as a division within that respective department. Also, it is recommended that after two full years of operation an evaluation of the institute's performance be conducted by the Administration and a report be transmitted to the State Legislature, along with recommendations, regarding the institute's future.

This bill creates an institute to be properly designated as "The Hawaii Institute for Management and Analysis in Government". It will offer training programs and facilities which will be available to personnel of all levels of the three branches of government in the State. Scholarships may be provided for by the departments of the State. The institute is to be placed within the department of budget and finance. A revolving fund is provided for the purposes of the institute with an appropriation of \$250,000 therefor.

Your Committee has amended this bill as follows:

1. Deleted the provisions of **H. B. No. 3096, H. D. 1** relating to the transfer of functions and personnel of the center for governmental development (Sections 10, 11, 12, 13, 14, 15, and 16).

2. Clarified the provisions relating to the deposits into and use of the revolving fund (Sections 7 and 8).

3. Conformed the language to the style of the Hawaii Revised Statutes.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 3096-74, H. D. 1**, as amended herein, and recommends that it pass third reading in the form attached hereto as **H. B. No. 3096-74, H. D. 2**.

Signed by all members of the Committee.

SCRep. No. 487-74 Finance on H. B. No. 2599-74

The purpose of this bill is to delete the maximum fee the Board of Regents may charge the public for admission to the aquarium.

Presently, the Board of Regents can charge admission fees, but only up to 25 cents for adults and 10 cents for children.

Your Committee on Finance is in accord with the intent and purpose of **H. B. 2599-74, H. D. 1**, and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 488-74 Finance on H. B. No. 2864-74

The purpose of this bill is to amend present law by extending the total period of temporary employment which may be exempted from civil service, from six months to one year.

The present statute dealing with exemptions from civil service permits the Director of Personnel Services to exempt positions of a temporary nature in which recruitment through normal civil service procedures is impracticable. The law permits such temporary employment to be exempted when it does not exceed ninety days; and for good cause, it may be extended on an exempt basis for another ninety days.

The proposed change will authorize exemption when temporary employment does not exceed one year. This change will permit greater flexibility in exempting temporary positions, in particular, those positions funded by Federal, special, or other project funds, in which the services are essential to the public, yet, are not of a permanent and continuing nature. The proposed change will permit employment of disadvantaged persons, and will facilitate recruiting for staff for temporary projects of limited duration.

Other benefits expected from the proposed change include savings in operating costs resulting from decrease in recruiting, examination, and certification activities.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 2864-74**, and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 489-74 Finance on H. B. No. 2865-74

The purpose of this bill is to amend the meaning of the term "transfer" so that it will be possible for an employee to move laterally from one position to another, including movements between bargaining units.

The existing statute was written when all civil service employees were paid under the same salary schedule. Since that time, six separate wage board pay schedules have been adopted — two for blue collar non-supervisors and four for blue collar supervisors. Also, as a result of negotiations under

the collective bargaining law, there may be variations in the pay rates of the salary schedules for the several bargaining units. Because pay ranges and pay rates in the various pay schedules differ but are controlling as to whether the movement of an employee is lateral, upwards, or downwards, the term "transfer" needs to be broadened.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 2865-74, H. D. 1**, and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 490-74 Finance on H. B. No. 2137-74

The purpose of this bill is to allow the President of the University of Hawaii to serve as ex-officio member of the Vocational Education Coordinating Advisory Council.

Previously, the University was represented by the Vice-President of Community Colleges. **House Bill No. 2137-74** will enable each State educational agency to be represented by its chief administrative officer at the Coordinating Advisory Council meetings.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 2137-74**, and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 491-74 Finance on H. B. No. 2226-74

The purpose of this bill is to convert the authorized but unissued revenue bonds that are required for funding of harbor capital improvement projects to reimbursable general obligation bonds.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 2226-74**, and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 492-74 Finance on H. B. No. 563

The purpose of this bill is to place all house parents at the Hawaii School for the Deaf and the Blind on a full twelve-month employment schedule.

Presently, these house parents are employed for only ten months of each year because of the schedule of the school. During the remaining months, they must use up any accumulated vacation and apply for unemployment compensation. This is unfair to the workers and results in many problems with the Health Fund and other benefits.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 563**, and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 493-74 Finance on H. B. No. 1548

The purpose of this bill is to establish a Post-Secondary Education Commission to enable the State to qualify for certain types of funds which may be available under the Higher Education Act of 1965 and subsequent amendments thereto. In addition, the bill proposes to repeal Act 9, Session Laws of Hawaii, 1966, which created a Temporary Commission on Higher Education.

Federal law (sections 1202 and 1203 of the 1972 Amendments to the Higher Education Act of 1965) authorizes the Commissioner of Education to assist, financially and otherwise, states which utilize Commissions "broadly and equitably representative of the general public, and public and private non-profit and proprietary institutions of post-secondary education in the State, including community colleges, junior colleges, post-secondary vocational schools, technical institutes, four-year institutions of higher education and branches thereof."

While only \$1 million is presently available for allotment to States under the provisions of sections 1202 and 1203, the future potential is much greater, particularly under Title X, relating to community colleges, which requires that a state have a "1202 Commission" as a prerequisite to allotment of funds.

The 1972 Amendments to the Higher Education Act of 1965 also authorizes each State to designate the 1202 Commission as the State agency to receive funds allotted under Titles I, VI, and VII, of the Act. Currently, Title I, relating to Community Service and Continuing Education, is administered by the State Department of Budget and Finance, and Titles VI and VII, relating to Instructional Equipment and Construction grants respectively, are administered by the State Temporary Commission on Higher Education.

The Board of Regents, as presently constituted, will not meet the representative criteria required by section 1202(a) of the Federal Act to qualify the State for such Federal assistance. On the other hand, the University of Hawaii, as the State's public higher education system, serves so high a proportion of the market for post-secondary education that its governing board should have majority representation on the overall coordinating commission contemplated by section 1202.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 1548, H. D. 1**, and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 494-74 Finance on H. B. No. 2981-74

The purpose of this bill is to amend existing use tax laws to exempt ocean-going vehicles used for interisland passenger transportation and thereby provide a tax incentive to private industry to participate in and help solve Hawaii's water borne transportation problems.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 2981-74, H. D. 1**, and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 495-74 Finance on H. B. No. 2846-74

The purpose of this bill is to provide for the establishment of a special fund for testing services at the University of Hawaii's College of Tropical Agriculture.

For a number of years the College of Tropical Agriculture provided free soil testing services to the public. In 1970 and 1971 the Legislature mandated that the College also provide plant tissue and forage testing. Funds were provided to establish the program but they have since become inadequate to meet the demand for the testing services.

The establishment of a special fund will enable the College to charge fees for these testing services, to apply the revenues obtained towards the purchase of material and supplies, and to pay student help required for testing program operations. Charges for testing services will be nominal and will range from \$2.00 to \$10.00. Revenues for the fiscal year 1974-75 are projected at \$7,000.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 2846-74** and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 496-74 Finance on H. B. No. 3037-74

The purpose of this bill, as amended, is to establish University of Hawaii revolving funds in three areas: (1) diplomas and transcripts; (2) student health services; and (3) each community college's vocational and technical courses of instruction.

Your Committee finds that presently, the aforementioned three areas are funded out of the State general fund. The programs presently receive revenues in the form of fees charged for various services, etc., which revenues are then deposited into the State general fund.

The demand for health services cannot be met within the restrictions of the program's allocated funds. Students presently pay for special services and medical supplies, such as infirmary services, allergy shots, and other pharmaceutical goods. All

receipts from students are deposited into the State general fund, but students are unable to obtain services and/or supplies on a continuing basis once the allocated funds are used, even though the students are willing to pay for such services and supplies. Establishment and use of a revolving fund would allow replenishment as necessary and provide for continuing availability of medical services and supplies on a self-supporting basis.

Your Committee finds that an analogous situation exists in the area of diplomas and transcripts. However, your Committee questions whether the need for a revolving fund for each community college can be similarly justified.

Your Committee has therefore amended this bill by deleting the authorization for revolving funds for community colleges.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 3037-74, H. D. 1**, as amended herein, and recommends that it pass third reading in the form attached hereto as **H. B. No. 3037-74, H. D. 2**.

Signed by all members of the Committee.

SCRep. No. 497-74 Finance on H. B. No. 2953-74

The purpose of this bill is to increase the annual grant to the Hawaii Wing of the Civil Air Patrol from \$56,000 to \$75,000. This money is used to carry on operations and defray the expenses of the Hawaii Wing on a statewide basis.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 2953-74** and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 498-74 Finance on H. B. No. 2747-74

The purpose of this bill is to amend Act 83, Session Laws of Hawaii 1973, to appropriate additional funds to the Governor to be expended for feasibility studies and the planning and development of Molokai.

The bill also recognizes the need for individuals associated with Molokai to become involved with its comprehensive planning as an investment for the future.

This bill also proposes to change the lapse date from June 30, 1974 to June 30, 1975.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 2747-74, H. D. 1**, and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 499-74 Finance on H. B. No. 2801-74

The purpose of this bill is to amend present law relating to retirement benefits to cover pensioners

who retire and return to service. At present, no provision is made for such pensioners.

This bill will fill in the gap in the law and proposes to continue the present practice under administrative rules with the exception that if a member has at least three (3) years of credited service during the period of his re-employment, his benefit shall be computed as if he had retired for the first time, provided, however, that the benefit computed in this manner shall not be less than that which would have been obtained if computed under present practice.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 2801-74**, and recommends that it pass third reading.

Signed by all members of the Committee except Representative W. Chong.

SCRep. No. 500-74 Finance on H. B. No. 2352-74

The purpose of this bill is to create a presumption for retirement purposes that a fireman or sewer worker who is disabled or dies due to any disease of the heart, lungs or respiratory system is presumed to have been injured, diseased or died while in the performance of his duty and to grant accidental death benefits to retirement system members' beneficiaries for death due to some occupational hazard.

Firefighters and sewer workers are substantially exposed to the dangers of common forms of heart disease. Frequent encounters with toxic gases represent a major hazard to firefighters and sewer workers. The retirement system has not awarded any disability retirement or death benefits resulting from occupationally related diseases.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 2352-74, H. D. 1**, and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 501-74 Finance on H. B. No. 2709-74

The purpose of this bill is to appropriate \$100,000 (\$50,000 per year for two years) to be expended by the department of land and natural resources to accelerate the ohia decline study (an unknown disease) which is affecting more than 200,000 acres of ohia forest in the Hilo and Upper Waiakea watershed on the island of Hawaii.

Unless the cause of the ohia decline is found soon, the effect on the 711,000 acres of ohia and koa forest on the island of Hawaii will be serious. Resource values such as watershed cover, timber, wildlife habitat, forage, recreation and water quantity and quality could be affected.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 2709-74**, and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 502-74 Finance on H. B. No. 2917-74

The purpose of this bill is to restrict the investment of state moneys in savings accounts, time certificates of deposits, and certificates of deposit open accounts to banks doing business in the State.

The present investment policy of the State provides that in all cases where state moneys are in excess of the amount necessary for meeting the immediate requirements of the State, and where the action will not impede or hamper the necessary financial operation of the State, such moneys are to be invested in the State in the types of investments permitted under chapter 36, Hawaii Revised Statutes.

This bill is consistent with the State's present investment policy.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 2917-74**, and recommends that it pass second reading and be placed on the calendar for third reading.

Signed by all members of the Committee.

SCRep. No. 503-74 Finance on H. B. No. 2312-74

The purpose of this bill is to reduce the minimum real property tax. The proposal is to reduce the tax to \$1, back to the minimum rate that existed prior to Act 113, Session Laws of 1973.

Your Committee believes that the cost of administering the real property tax laws should be a fair basis for determining a minimum tax rate. The Department of Taxation informed your Committee that the average administrative cost per tax parcel is \$6.42. The present rate of \$25 therefore appears high, but the restoration of the \$1 rate would seem to be unrealistic. Your Committee therefore proposes that the rate be reduced to \$7 and has amended this bill to set the minimum tax rate at that amount. The proposed rate of \$7 appears fair and equitable.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 2312-74**, as amended herein, and recommends that it pass second reading in the form attached hereto as **H. B. No. 2312-74, H. D. 1**, and be placed on the calendar for third reading.

Signed by all members of the Committee.

SCRep. No. 504-74 Judiciary and Corrections on H. B. No. 2584-74

The purpose of this bill is to increase the number of District Judges authorized for the First Circuit District Court from eight to eleven.

Your Committee heard testimony from Mr.

Lester E. Cingcade, Administrative Director of the Courts, that there has been a steadily increasing trial calendar at the District Court with 15,050 more filings in 1972-73 than in the previous year. Your Committee believes that the increasing caseload of the District Court justifies the increase in the number of judges authorized by this bill.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 2584-74** and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 505-74 (Majority) Water, Land Use and Development on H. B. No. 465

The purpose of this bill is to appropriate \$17,220 out of the general revenues of the State of Hawaii to be expended by the Department of Land and Natural Resources for the aerial spotting of skipjack tuna schools in Hawaiian waters, covering two seasons, to help determine the feasibility of establishing a purse seine fishery in the Islands.

Your Committee finds that the continued well-being of the local aku fishery depends on the supply of bait, improvements in operating efficiency of the fishing fleet, and investigations of new and improved fishing methods, primarily purse seining.

The proposed aerial spotting program will help evaluate the number, size, distribution and behavioral characteristics of aku schools and will provide information on the utility of using aircraft for spotting such schools in Island waters. The aerial spotting method will enable rapid, statewide coverage. Further, the existing line and pole fishery will be able to derive immediate benefits by being directed to aku schools which can be seen from the air but which may not be detected by vessels on the ocean surface. Should aerial spotting prove to be effective it may markedly reduce the time spent by boats in scouting for schools, thus increasing their efficiency and resulting in greater productivity.

Your Committee was told a 70-day purse seine fishing trial in summer, 1970, did show that aku can be caught with a purse seine if used in conjunction with live-bait chumming to hold the aku schools at the surface long enough for the seine to be set and pursed.

An aerial spotting program was proposed for the 1971-73 biennium and funds were appropriated through Act 210 by the 1971 Legislature. The money, however, was not allotted to the Department of Land and Natural Resources and thus the program was not implemented.

Mr. Sunao Kido, chairman of the Board of Land and Natural Resources, told your Committee that despite the State's financial straits the aerial spotting program is worthy of consideration

because of the potentially vast benefits which could accrue to Hawaii should a purse seine fishery be established here.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **H. B. No. 465** and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Iha, Roehrig and Wedemeyer.

Representative Wasai did not concur.

SCRep. No. 506-74 Education on H. B. No. 2498-74

The purpose of this bill is to require certain immunizations and a tuberculin test of all children entering any school in the State for the first time. In addition, a health certificate is required attesting to the fact that the child has undergone a physical examination. If a child does not comply with the requirements for immunization and a tuberculin test at the time of entrance into school, a provisional entrance shall be permitted provided that the full requirements are completed within three months of entrance into school. If presentation of health certificate is not made, then the child may be barred from attending school after a one-month period for compliance.

Your Committee on Education is in accord with the intent and purpose of **H. B. No. 2498-74, H. D. 1**, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. No. 507-74 Transportation on H. B. No. 2302-74

The purpose of this bill, as amended, is to establish a fund to be used in each county for the design, construction, and maintenance of bikeways and related facilities. The bill relates to financing of bikeways and registration of bicycles by the counties. It provides for an increase in the annual bicycle tax from \$1.00 to \$3.00, the creation of a bikeway fund into which all of the bicycle tax shall be deposited, the limitation of the bikeway fund for bikeways, and the requirement that a dealer of bicycles, at the time of first sale of a bicycle, shall process its registration subject to a penalty.

Bicycle owners are requested to furnish verification of the serial number upon initial registration by owners or transferees. Decals are to be issued after the present supply of metallic tags has been depleted.

Your Committee on Transportation is in accord with the intent and purpose of **H. B. No. 2302, H. D. 1** and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. No. 508-74 Public Health and Welfare on

H. B. No. 342

The purpose of this bill is to provide for aviary game birds to be kept within the community without regard to county zoning regulations; provided they're kept in lofts complying with regulations prescribed by the department of health, and are maintained in an orderly and clean condition, and complies with building code regulations.

Your Committee finds that such aviary game birds include such fowl as pheasants and its varying species. These birds are kept for ornamental and aesthetic purposes and not for commercial production of food. Therefore, they should not be classified with such fowl as chicken as is presently being done.

Since there already exists a law to allow pigeons to be kept within the community without regard to county zoning ordinances provided they comply with department of health regulations, providing for pheasants to be kept in such manner would be consistent with existing statute.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of **H. B. No. 342, H. D. 1** and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. No. 509-74 Public Health and Welfare on H. B. No. 1281

The purpose of this bill is to provide a rental utility differential and a special allowance for replacement and repair of household appliances for those persons receiving public assistance.

Your Committee would like to make reference to its original committee report on this same bill, **Stand. Com. Rep. No. 172-74**, which contains the rationale behind the bill.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of **H. B. No. 1281, H. D. 1**, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. No. 510-74 Housing on H. B. No. 2688-74

The purpose of this bill is to allow the Hawaii Housing Authority to use the bond proceeds authorized under Chapter 359G, Hawaii Revised Statutes, for the general purposes of said chapter.

This bill would further allow the Governor to establish within the Hawaii Housing Authority, a housing information, counseling and referral unit. This unit would consolidate the services which are now scattered in several departments and agencies. Once established, it will service welfare recipients, clients of the Hawaiian Home Lands program, qualified persons for rent supplement,

leased housing and public housing, as well as persons from the general public interested in units for sale or rent. Your Committee anticipates that greater efficiency in rendering such services will result, as well as concurrent administrative cost savings.

Your Committee on Housing is in accord with the intent and purpose of **H. B. No. 2688-74, H. D. 1** and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Poepoe.

SCRep. No. 511-74 Consumer Protection on H. B. No. 520

The purpose of this bill is to require the Consumer Protector to attend hearings of the public utilities commission and act as the counsel for the public.

Your Committee has amended the bill by deleting the proposals of **H. B. No. 520**, and substituted in lieu thereof the provisions of **H. B. No. 2607-74, H. B. No. 2942-74 and H. B. No. 2943-74**. Public hearings were held on all bills and **H. B. No. 520**, as amended, makes an appropriation of \$60,000 for the Office of Consumer Protection as follows:

1. Salary increase for the director;
2. Salary increases for the professional (non-civil service) staff; and
3. Additional staffing for the office.

Your Committee on Consumer Protection is in accord with the intent and purpose of **H. B. No. 520**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 520, H. D. 1** and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Carroll and Roehrig.

SCRep. No. 512-74 Consumer Protection on H. B. No. 2651-74

The purpose of this bill is to regulate the activities of persons engaged in the dispensing of drugs in the following manner:

1. A legal or beneficial interest in a drug company shall not be directly sold to a medical practitioner or bought by a medical practitioner unless it is sold or bought as an investment and is available to the general public;
2. The dispensing of drugs by medical practitioners are limited to several situations;
3. Direct or indirect ownership of pharmacies by medical practitioners is prohibited; and
4. Rebate and refund arrangements between

medical practitioners and pharmacies are prohibited.

Your Committee upon consideration of the bill has amended **H. B. No. 2651-74** in the following manner:

1. Deleted the provision limiting the dispensing of drugs by medical practitioners and substituted therefor a provision that medical practitioners in dispensing drugs shall be subject to the packaging and labelling rules and regulations of the board of pharmacy. The language of the deleted section is ambiguous, and your Committee believes that there are insufficient data to make a policy decision with respect to the dispensing of drugs by medical practitioners.

2. Deleted the provision prohibiting medical practitioners from acquiring direct or indirect ownership in pharmacies. Based on information submitted the provision may create hardships for groups in varying situations and based on such information your Committee could not conclusively find that the practice is undesirable or contributes to the high price of drugs.

As amended, **H. B. No. 2651-74** prohibits unethical practices and the provisions retained and added are consumer oriented.

Your Committee on Consumer Protection is in accord with the intent and purpose of **H. B. No. 2651-74**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 2651-74, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Carroll, Roehrig and Saiki.

SCRep. No. 513-74 Tourism on H. B. No. 2896-74

The purpose of this bill, as amended, is to provide for the mechanism by which the State can work with the visitor industry to coordinate and implement policies to achieve desired goals and objectives.

This bill, as amended, creates an office of tourism coordination to be headed by a coordinator of tourism who will be responsible for the development of long and short range policies to enhance the quality of tourism and to assure that the industry continuously yields benefits to visitors as well as residents. There is also established a visitor industry council composed of representatives from the public, the tourist industry, organized labor, and a representative from each county to serve as a permanent advisory body.

The office of tourism coordination in conjunction with the visitor industry council shall develop a continuing ten-year controlled growth policy plan for tourism which shall be presented to the legislature for adoption by concurrent resolution. A preliminary outline of the controlled growth policy plan shall be submitted to

the legislature before the convening of the regular session of 1975, and a final draft of a continuing ten-year growth policy plan shall be submitted for legislative adoption before the regular session of 1976, and thereafter from time to time as adopted or amended.

Testimony received by your Committee indicated the desirability of coordinating the visitor industry. In light of the testimony received, your Committee recommends the following amendments:

1. Converted the special assistant position to that of director of tourism coordination, who shall be appointed by the Governor. The Lieutenant Governor will not be a part of the office of tourism coordination. The powers, duties, and salary of the special assistant have been transferred to the director. The director shall be vested with the responsibility for the proper administration of the office of tourism coordination and the implementation of the chapter as proposed.

2. Broadened the powers of the head of the office of tourism coordination to include the establishment of a statewide committee on education, training and counseling for the visitor industry. Such a committee will facilitate tourism coordination activities as well as disseminate information relating to such activities.

3. Given the director the further power of convening the Travel Industry Congress to ensure the inclusion of the private sector in tourism coordination activities.

4. Changed the composition of the proposed Visitor Industry Council to include five representatives of the tourist industry instead of three representatives thereof. Also, the ex officio membership has been expanded to include the president of the Hawaii Visitors Bureau and the Executive Director of the Waikiki Improvement Association.

5. Included a new provision to provide for cooperation of State departments, divisions, boards, bureaus, commissions or other agencies with the director, the council and the office of tourism coordination.

6. Reduced the appropriation from \$100,000 to \$50,000.

Your Committee has made other non-substantive and technical changes for the purpose of clarity and consistency.

Your Committee on Tourism is in accord with the intent and purpose of **H. B. No. 2896-74**, as amended herein, and recommends that it pass Second Reading and be placed on the calendar for Third Reading in the form attached hereto as **H. B. No. 2896-74, H. D. 1**

Signed by all members of the Committee except Representatives Iha and Wedemeyer.

SCRep. No. 514-74 Finance on H. B. No. 2455-74

The purpose of this bill is to provide health fund benefits to the beneficiaries of an employee who is killed in the performance of his duty. The amended form of the bill includes the general purpose of including employees who retired prior to the establishment of the fund as health fund members.

Because there are a number of retired employees who retired before the health fund was established, and through no fault of their own were denied the benefits of such a fund, your Committee supports that concept that they should now be included as beneficiaries of the fund. At the same time, those members who have died in service deserve the same consideration for their devotion and contributions to the service of the State and its several counties.

Other details of this bill are as follows:

1. Section 1 of the bill is amended to provide a definition of "employee-beneficiary" which includes employees who retired prior to the establishment of the fund and beneficiaries of employees who are killed in the performance of their duty. This section has also been amended to exclude the requirement that a beneficiary be receiving a monthly benefit from the system.

2. Section 2 of the bill is amended to include a definition of employee-beneficiary which includes employees who retired prior to the establishing of the fund and their beneficiaries, in addition to the beneficiary of any employee-beneficiary who has been killed in the performance of his duty.

3. Section 3 which includes employees who retired before or after the establishment of the fund, provides that both will be treated as members with the same rights and privileges.

4. Section 4 provides that the contribution for voluntary medical insurance coverage under federal medicare may be paid by the fund for members of the old county pension system.

Your Committee has amended this bill to delete the appropriation section (Section 5).

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 2455-74, H. D. 1**, as amended herein, and recommends that it pass third reading in the form attached hereto as **H. B. No. 2455-74, H. D. 2**.

Signed by all members of the Committee.

SCRep. No. 515-74 Finance on H. B. No. 445

The purpose of this bill is to provide a retirement benefit for ordinary disability which is comparable to that for service retirement.

Under existing law, the ordinary disability consists of 25% of average final compensation for service of 10-15 years plus 1% for each full

year of service over 15. This benefit is low when compared to the benefit for service retirement, consisting of 2% of average final compensation multiplied by the number of years of creditable service. Thus, a person with 20 years of service will receive only 30% of average final compensation as compared to 40% if such a person were able to retire for service below age 55 with less than 25 years of service.

This bill would increase the retirement benefit by providing an allowance of 1-3/4% of average final compensation multiplied by the number of years of creditable service but in no event would the benefit be less than 30% of average final compensation. Hence, a person with 20 years of service would receive a benefit of 35% of average final compensation (1.75% x 20 years), as against 30% under existing law.

Your Committee has amended this bill by deleting section 2 relating to the appropriation.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 445**, as amended herein, and recommends that it pass third reading in the form attached hereto as **H. B. No. 445, H. D. 1**.

Signed by all members of the Committee.

SCRep. No. 516-74 (Majority) Finance on H. B. No. 1387

The purpose of this bill, as amended, is to direct the Board of Regents to establish a program of Tropical Agriculture at the University of Hawaii-Hilo to offer a baccalaureate program beginning in September 1975. Under this bill, all appropriate existing positions, equipment, facilities and property of the Hawaii Experimental Station and the Agricultural Extension Service on the island of Hawaii will be assigned to the University of Hawaii-Hilo and the budgetary control vested in the Chancellor of the University of Hawaii-Hilo.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 1387, H. D. 2**, and recommends that it pass third reading.

Signed by all members of the Committee.

Representative A. Chong did not concur.

SCRep. No. 517-74 Finance on H. B. No. 358

The purpose of this bill is to appropriate money for a pilot program to study certain dietary changes of mentally ill persons. The proposed appropriation is \$10,000.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 358, H. D. 1**, and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 518-74 Public Health and Welfare on

H. B. No. 2738-74

The purpose of the bill is to include the fixed glass panels which are part of sliding glass doors or which are immediately adjacent to a means of ingress or egress, in the requirement for safety glazing.

Presently, such fixed glass panels are not included in the safety glazing requirement. Your Committee finds that to have fixed glass panels adjacent to a sliding door or which are part of a sliding door without any indication that such panels are so positioned is a hazardous situation. To safety glaze such panels would prevent accidents which may occur when persons are unaware that such glass panels exist.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of **H. B. No. 2738-74** and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 519-74 (Majority) Public Health and Welfare on H. B. No. 3026-74

The purpose of the bill is to provide for a licensed physician to perform an operation in the State to sterilize any adult person who requests the operation without requiring consent of the spouse of a married person. Further, the bill provides that any licensed physician or surgeon shall not be subject to criminal or civil action by reason of any operation conducted with reasonable care pursuant to such operation to sterilize an adult person.

Your Committee finds that the authorization procedures relating to sterilization operations vary from physician to physician and hospital to hospital. Such authorization requirements may be discriminatory because of their inconsistent application.

Your Committee further feels that each spouse should be allowed the right to make independent decisions concerning his own person.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of **H. B. No. 3026-74** and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

Representatives Wong and Young did not concur.

SCRep. No. 520-74 Public Health and Welfare on H. B. No. 2378-74

The purpose of this bill is to regulate persons who practice acupuncture in the State. The bill establishes a board of examiners for the practice of acupuncture and provides procedural guidelines

for licensing.

Your Committee finds that since the detente with China and the exposure of Chinese culture to the United States, the interest in acupuncture has grown tremendously. As a result, the problem of the abuse of acupuncture has arisen. Many persons have begun to present themselves as qualified acupuncturists without having the proper training or experience. Your Committee feels that in order to promote the public health and safety of the people of this State, regulation of acupuncturists is necessary.

Your Committee further finds that providing regulation of acupuncturists would also ensure the orderly development of acupuncture in the State as well as maintain high professional standards in acupuncture.

Your Committee has amended **H. B. 2378-74** in the following manner:

(1) The name of the regulatory board has been changed from "board of examiners for the practice of acupuncture" to "board of acupuncture".

(2) The requirement that a person be a citizen of the United States or have declared his intention to become a citizen of the United States has been deleted. Your Committee feels that to establish such a requirement would greatly limit the number of qualified persons who would be able to practice acupuncture in the State since the most qualified acupuncturists are foreign born persons.

(3) The requirement that a person have received a certificate or diploma from a government licensed institute has been amended to require a person to receive a certificate or diploma from an institute approved by the board of acupuncture. The reason for deleting the term "government licensed" is because of the various practices concerning licensing and accreditation of institutions in foreign countries.

(4) The board membership under Sec. -4 has been reduced to five members. The original requirement of a licensed physician or surgeon and licensed dentist as members of the board has been deleted. The new composition of the board is two private citizens and three acupuncturists.

(5) Sec. -5 relating to the powers and duties of the board has been amended to provide that the board shall adopt rules with special emphasis on the health and safety of the public. In addition, the reference to a permanent or temporary license has been deleted.

(6) Sec. -6 relating to fees and expenses has been amended by the insertion of dollar amounts. An applicant for a license must pay \$60 prior to examination. Renewal of a license shall have an annual fee of \$10. A person who fails to comply with annual renewal must pay \$30 to restore his license.

(7) Sec. -7 relating to revocation and suspension of licenses has been amended by substituting the word "ailment" for the word "disease" under paragraph (1).

(8) An appropriation of \$1 is provided in the bill.

(9) Persons licensed under Chapters 448 and 453, Hawaii Revised Statutes, are exempt from the bill. Persons practicing acupuncture in the State at the time of the effective date of the Act shall continue to practice but shall be subject to licensing requirements when they are established by the board.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of **H. B. 2378-74** as amended herein and recommends that it pass Second Reading in the form attached hereto as **H. B. 2378-74, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 521-74 Public Health and Welfare on H. B. No. 2971-74

The purpose of the bill is to provide for the accreditation of social rehabilitation residential programs by establishing a state board within the department of social services and housing for such a purpose. The board is to establish standards for accreditation, and revoke or suspend certificates of accreditation.

Social rehabilitation programs to be accredited under the bill are described as therapeutic and transitional in nature, serving the emotionally and socially disabled person in the community. The purpose of such program is to assist persons in learning basic social skills to achieve optimum independence in the community. Data gathered by the Mental Health Association of Hawaii showed that such programs served over 2,000 clients on Oahu.

Present Hawaii statutes require social rehabilitation residential programs which follow a social model to meet model regulations before they can be accredited or licensed. Some of the social rehabilitation programs in Hawaii are presently being certified under the regulations of the medical institutional model which assumes that the client being served is non-ambulatory and physically disabled. Many social rehabilitation programs serve ambulatory and emotionally or socially disabled persons rather than physically disabled. Another disadvantage of social rehabilitation programs being under the institutional model regulations are the structural regulations applicable to the buildings used. Social rehabilitation programs consider one of their goals as providing services in family-like settings.

The fact that such programs cannot be accredited by a single state agency adversely affects

the agency's access to funding, especially federal funds under Titles IV-A and XVI of the Social Security Act. Accreditation by state agency is required for application for such funds. Although the accreditation requirement is being waived at the present time, federal regulations could be enforced at any given time thereby cutting off funds completely.

Your Committee finds that the fullest use of available federal funds in the area of social rehabilitation should be encouraged. Accreditation of social rehabilitation programs is a prerequisite.

Your Committee has amended **H. B. No. 2971** by redrafting the bill to include its provisions in the Hawaii Revised Statutes. As a result, a new chapter has been created. No changes have been made concerning the substance of the provisions of the original bill.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of **H. B. No. 2971-74** as amended herein and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 2971-74, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 522-74 Public Health and Welfare on H. B. No. 2977-74

The purpose of this bill is to provide financing or refinancing of health facilities through the issuance of revenue bonds by the department of budget and finance. Federal IRS code exempts from federal income tax, interest on bonds issued to finance facilities where the user of the facility is a nonprofit corporation. However, bonds themselves must be issued by a governmental body. Specifically, the issuance of bonds under this bill would provide financing and refinancing for expansion or renovation of existing health facilities. The health facility would pay the State for the amount of the bond issuance and interest on such bonds.

The Hill-Burton program is being phased out on the national level affecting health facilities construction. Issuance of tax-exempt revenue bonds would serve a dual or even threefold purpose in ensuring availability of capital improvement revenues at a low interest expense to private nonprofit institutions while simultaneously relieving pressure on the state general fund and legislature in providing supplemental appropriations or grants-in-aid. It would also bring private nonprofit hospitals into parity with state-operated facilities which already enjoy the benefits of the issuance of tax-exempt revenue bonds.

Your Committee has amended the bill to provide for bonds to be issued for refinancing. In addition, your Committee has included a provision which would void this Act if the bonds are to be included in the State bond indebtedness pur-

suant to a case being prepared by the attorney general relating to anti-pollution bonds.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of **H. B. No. 2977-74** as amended herein recommends it pass Second Reading in the form attached hereto as **H. B. No. 2977-74, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 523-74 Public Health and Welfare on **H. B. No. 3048-74**

The purpose of this bill is to control the illegal dispensing and use of controlled substances which have a high potential for abuse and addiction by authorizing the department of health to issue official prescription forms to be used by practitioners.

In testimony presented by the department of health it was revealed that approximately twenty cases of forged prescriptions for controlled substances occur monthly which are often due to unreported stolen prescription blanks. This bill would allow the department of health to issue triplicate nontransferable prescription forms in serial numbered groups for practitioner use in the prescribing of Schedule II controlled substances which includes high abuse and addiction drugs such as barbiturates and amphetamines. Such a procedure would provide a means of controlling substance abuse since alerts through the statewide pharmacy network could prevent forged prescriptions from being filled if such prescriptions can be identified by number.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of **H. B. No. 3048-74**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 3048-74, H. D. 1** and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 524-74 Water, Land Use and Development on **H. B. No. 2626-74**

The purpose of this bill is to establish two additional revolving funds to be known as the Keaukaha-Waiakea home replacement fund and the Keaukaha-Waiakea home-construction fund under the Hawaiian Homes Commission Act of 1920.

Your Committee upon consideration of this bill recommends the following amendments:

(1) Investigation revealed that the \$500,000 referred to in the Keaukaha-Waiakea home-replacement fund was not appropriated in the past. Therefore, the reference should be deleted and proper technical changes be made.

(2) The \$1,936,000 provided for the Keaukaha-

Waiakea home-construction fund cannot be readily appropriated at the present time. As a result, the appropriation section should be deleted and the proper technical changes be made.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **H. B. No. 2626-74, H. D. 1**, as amended herein, and recommends that it pass Third Reading in the form attached hereto as **H. B. No. 2626-74, H. D. 2**.

Signed by all members of the Committee except Representatives Iha, Roehrig and Wedemeyer.

SCRep. No. 525-74 Water, Land Use and Development on **H. B. No. 2376-74**

The purpose of this bill is to establish a research organization to be known as the Hawaii Natural Energy Institute to coordinate and undertake the development of non-polluting natural energy sources for Hawaii.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **H. B. No. 2376-74**, and recommends that it pass Second Reading.

Signed by all members of the Committee except Representatives Iha, Roehrig and Wedemeyer.

SCRep. No. 526-74 Water, Land Use and Development on **H. B. No. 2256-74**

The purpose of this bill is to authorize the department to create a fund to support, if necessary, its guarantee of repayment of loans made by governmental agencies or by private lending institutions to those holding leases or licenses issued under Section 207 of this Act. The loan guarantees shall be subject to the restrictions imposed by Section 208, 214 and 215 of this Act.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **H. B. No. 2256-74** and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. No. 527-74 Water, Land Use and Development on **H. B. No. 2276-74**

The purpose of this bill, as amended, is to amend present law by providing that the Department of Ocean Engineering, University of Hawaii, may be permitted to conduct sand mining for experimental purposes in the offshore waters one-half mile north of Keauhou Bay, notwithstanding the prohibitions contained in Sec. 205-33, Hawaii Revised Statutes.

However, before such experimental sand mining can commence, written permission must be received from all governmental agencies having jurisdiction over such activities and a federal environmental impact statement must be prepared

and approval received therefor. A cutoff date of April 30, 1977 is provided for completion of such activities.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **H. B. No. 2276-74, H. D. 1**, as amended herein, and recommends that it pass Third Reading in the form attached hereto as **H. B. No. 2276-74, H. D. 2**.

Signed by all members of the Committee except Representatives Iha, Roehrig and Wedemeyer.

SCRep. No. 528-74 Water, Land Use and Development on H. B. No. 2263-74

The purpose of this bill is to amend the present law relating to the Marine Affairs Coordinator to include an additional finding by the Legislature that new opportunities and needs for the development and utilization of marine resources have arisen and further effort and support from the State are necessary to meet these opportunities and needs.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **H. B. No. 2263-74** and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Iha, Roehrig and Wedemeyer.

SCRep. No. 529-74 Water, Land Use and Development on H. B. No. 2264-74

The purpose of this bill is to amend present law relating to the Hawaii Bicentennial Marine Exposition Commission by providing the commission with the power to contract for services as may be necessary, provided funds are available for such purposes.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **H. B. No. 2264-74** and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Iha, Roehrig, and Wedemeyer.

SCRep. No. 530-74 Education on H. B. No. 692

The purpose of this bill is to preclude the Department of Education from prescribing any rule or regulation which requires teaching experience as a prerequisite for a professional administrator's certificate.

The legislative auditor in Audit Report No. 73-1 indicated that the Department of Education's practice of issuing professional administrator's certificates was illegal. Upon receipt of the legislative auditor's report, the Department of Education heeded the findings of the report and stopped issuing professional administrator's certificates. This bill would be a further step in

compliance with the auditor's report.

Your Committee on Education is in accord with the intent and purpose of **H. B. No. 692, H. D. 1** and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 531-74 Education on H. B. No. 1367

The purpose of this bill, as amended, is to offer programs in the Department of Education designed to achieve the aims of quality education and equal educational opportunity.

Geographical and economic barriers to education still exist in our State. There are wide disparities between the urban and the rural schools, between the large and the small schools, and between schools in the more affluent areas and schools in the lower income areas. Such disparities should not exist in Hawaii's statewide educational system.

Your Committee reaffirms its goal of quality education and equal educational opportunity by calling for the removal of inequalities in educational offerings among schools, and particularly for a system by which program offerings can be made available to students in the smaller schools and in the remote areas of the State.

The Department of Education commits its effort to achieve a school system and educational program of first rank in the United States. It commits itself to a plan of organization and management structure that will be student and program oriented and responsive to change. It seeks to develop a comprehensive system of planning that will provide equitable distribution of funds, evaluation of program progress and sound management control.

Your Committee notes the areas of interest which it believes amplify its concern for quality education and equal educational opportunity. These are the priority items of your Committee:

1. The Foundation Program \$350,000.
2. School Health Services \$175,000.
3. Appropriation for athletic coaches and directors \$175,000.

Other vital areas are:

1. The need to expand money appropriated in the 1973-75 Biennium Budget for critical positions, supplies, equipments, and books.
2. Maintenance of the current level of the 3 on 2 Program.
3. Continued commitment on the Hawaii English Program (HEP) and the release of money necessary to purchase needed supplies to make the

program more effective.

THE FOUNDATION PROGRAM

The Foundation Program sets a basis for equality of opportunity by providing for a basic educational program for all students regardless of where they live in the State. It attempts to meet the requirement of developing the whole person by identifying academic, guidance and student activities as legitimate school programs. Your Committee notes that the issue in the Foundation Program lies in the staffing needed to implement this program.

Your Committee believes that the fixed relation between the number of students and the teacher (the pupil-teacher ratio) inhibits the theory of equal opportunity. The pupil-teacher ratio is primarily the administrative-legislative tool, essentially to determine the amount of teaching manpower needed. This budgetary tool, however, when applied to individual school population or to individual classrooms, causes problems: children are not geographically distributed equally.

This ratio method of hire works against two kinds of school — the small and the extremely large school. For the smaller school, differential programs just cannot be offered with the assigned manpower. In the extremely large school, the groups within a normal population become larger, e.g. there tend to be more poor readers, more gifted readers, more vocationally-oriented and more academically-oriented students than in a less large school, so that more teachers are needed and also more teachers with greater specialties. Your Committee believes that the pupil-teacher ratio is essentially a numbers game and should not be used as a program determinant in the Foundation Program.

Your Committee urges that the Foundation Program be expanded by filling 62 additional positions required throughout the State for Foundation staffing.

SCHOOL HEALTH SERVICES

Your Committee supports the concept of a comprehensive health program, recognizing that the health and education of a school age child are not separate entities. A youth's intellectual achievements are dependent on his physical and mental well-being.

The individual assessment, early identification, observation and coordination in management of the specific health problems related to learning should be the emphasis of school medicine within the school setting. A successful school health program utilizes the school physician as its director. He sets the tone or quality of school medicine. The school nurse may become the health coordinator and child health advocate in the school setting. As a member of a multidisciplinary team, she consults with the school physician in regard to problems relating to the individual child's health

and learning. In the area of health services, she sets up the health room and supervises health aides to deliver emergency first aid, participate in health assessment, and handle minor health problems. The school nurse also serves as health consultant to the teachers in the areas of health education. This is especially true in the elementary school years. Health counseling is another responsibility that the school nurse assumes. This may be the most important area of contact with the health education and care for the intermediate and high school students.

Your Committee believes that the Department of Education should consider training programs to develop school nurses and health aides over a period of time. This would improve the quality of individual child health care which will enhance his potential for learning in school.

Further, your Committee stresses and points out the long-standing pediculosis problem in the public schools and urges intensive work in this area to alleviate this problem.

ATHLETIC COACHES AND DIRECTORS

The athletic directors and coaches in Hawaii are being paid today under a salary schedule formulated and adopted many years ago and minimally reappraised by the Board of Education and Department of Education in 1968. There are great differences in the amount that coaches are paid. The reason for the disparity lies in the manner in which the interscholastic athletic program is funded.

Coaches salaries and all other expenditures of interscholastic athletics are paid from each school's athletic fund. The amount available to each school is dependent on the following:

1. The size of spectator audience — gate receipts.
2. The manner in which gate receipts are distributed among the schools within the league.
3. The contributions made by "booster" organizations.
4. The extent to which fund-raising activities are carried out.
5. Student activity fees.

On every count, the smaller schools are at a distinct disadvantage. Since funding lies at the heart of the present inequity in pay, the solution lies in making funds available for salaries. Your Committee urges the adoption of an adequate salary schedule by making an appropriation to provide for additional subsidies to the Department of Education based on the responsibilities, skills required and the time spent in running the program and not dependent upon the size of the school or the income received from gate receipts, donations and special funds.

Your Committee has amended this bill to provide for the programs listed and described above.

Your Committee on Education is in accord with the intent and purpose of **H. B. No. 1367, H. D. 1** as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 1367, H. D. 2** and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 532-74 Agriculture on H. B. No. 1643

The purpose of the bill is to provide a consistent definition of "farmer", "new farmer" and any of the other nomenclature used in defining the term "farmer" in the Hawaii Revised Statutes.

In compliance with **House Resolution No. 447-73**, the Department of Land and Natural Resources, the Department of Agriculture, the Department of Hawaiian Home Lands, the United States Department of Agriculture Farmers Home Administration, the Hawaii Farm Bureau Federation, and the Federal Land Bank of Berkeley developed a standard and compatible definition of the terms "farmer" and "new farmer". Prior to this time, the definition of farmer and new farmer varied from chapter to chapter such that the definition under the public land laws differed in part from the definition under the farm loan law. As a result there was little continuity in programs which should have been complementary. In the interest of agricultural development, such variance in definition presented an obstacle.

Your Committee has amended **House Bill 1643** to comply with the recommendations contained in the report establishing a standard and acceptable definition for the terms "farmer" and "new farmer". To this end, your Committee has amended the bill as follows:

(1) Section 1 of the bill amends section 155-1, Hawaii Revised Statutes, by expanding the definition of "new farmer" to include persons with experience in lieu of formal education, with community college graduates in agriculture.

(2) Section 2 of the bill amends section 171-68, Hawaii Revised Statutes, to include under persons eligible for a farm those persons displaced from employment in an agricultural production enterprise, those persons who are members of the Hawaii Young Farmer Association, those persons who are Future Farmer of America graduates with a farming project, and community college graduates in agriculture.

Your Committee on Agriculture is in accord with the intent and purpose of **H. B. No. 1643**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 1643, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Roehrig.

SCRep. No. 533-74 Agriculture on H. B. No. 2425-74

The purpose of the bill is to facilitate the maintenance and growth of agriculture as a primary base of the State's economy by expanding the opportunities and incentives for those persons wishing to enter farming. The bill amends those laws relating to eligibility requirements for loans under the new farmer program, and the provision of land on which new farmer enterprises may be developed.

Your Committee finds that the support for such a bill by both private and public agencies is almost unanimous. Both the departments of land and natural resources and agriculture testified that they were in agreement with the intent of the bill with certain changes involving better administration of the provisions of the bill.

Your Committee further finds that as part of an agricultural development program, it is not enough to merely state that we support the development of agriculture. Action must be designed to supplement intent. To this end, your Committee feels that this bill would provide greater opportunities and incentives for new farmers entering into agricultural enterprises. The explicit statement that persons in the new farmer program will receive preference in the disposition of public lands under the agricultural parks program is indicative of the type of action support that your Committee finds necessary in agricultural development.

Your Committee further finds under Part V of Chapter 171 relating to agricultural parks development, the department of land and natural resources is authorized to acquire lands for agricultural parks. Your Committee, however, notes that existing public lands are available for use in the agricultural park development program. To clearly indicate that such lands could be used for agricultural park purposes, your Committee has amended Part V of Chapter 171 by adding a new section stating that public lands may be used for agricultural park purposes.

Your Committee on Agriculture is in accord with the intent and purpose of **H. B. No. 2425-74, H. D. 1**, as amended herein, and recommends that it pass Third Reading in the form attached hereto as **H. B. No. 2425-74, H. D. 2**.

Signed by all members of the Committee except Representative Roehrig.

SCRep. No. 534-74 Consumer Protection on H. B. No. 2245-74

The purpose of this bill is to regulate the use of information contained in borrower's insurance policies which are required by lenders. The bill prohibits the disclosure of such information by the lender and makes it unlawful for a third party who

receives such information to use it for any reason. The measure is necessary because of many complaints that insurance information furnished to lenders in connection with a loan has been used to solicit the renewals of insurance away from the regular agent.

Your Committee upon consideration of the matter has amended the bill by deleting the provision which makes it unlawful for a third party to receive or use the information. It is your Committee's belief that the provision may unfairly punish a person who innocently used the information. As amended the bill still would make unpermitted disclosures by a lender illegal.

Your Committee on Consumer Protection is in accord with the intent and purpose of **H. B. No. 2245-74**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 2245-74, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Carroll and Roehrig.

SCRep. No. 535-74 Housing on H. B. No. 1447

The purpose of this bill is to allow the counties of the State to conduct their redevelopment activities directly or through agencies specifically established for that purpose. This bill gives each county the option to choose whichever vehicle it deems most suitable to undertake urban redevelopment projects.

Your Committee on Housing is in accord with the intent and purpose of **H. B. No. 1447, H. D. 1** and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Poepoe.

SCRep. No. 536-74 Housing on H. B. No. 2059-74

The purpose of this bill, as amended, is to add a new section to Chapter 359G creating a housing opportunity allowance program which will be administered by the Hawaii Housing Authority. The program will provide a maximum loan of \$50 per month for five years to meet the interest payments on private home loans made to qualified borrowers. The loan would be repayable on the tenth year after the loan closing or at the end of the loan period through refinancing.

Your Committee upon consideration of this bill has made the following amendments:

1. That a qualifying loan be redefined to provide that the purchase price may not exceed \$50,000 for three bedroom units or \$57,000 for units with four bedrooms. There presently is no limit on prices.

2. The buy-back provisions relating to housing has been removed from application to borrowers under this program because of the possible appreciated price levels which are necessary for the borrowers to repay their loans.

3. The source of funding for the housing opportunity allowance program has been changed to the loan participation bond authorization section. Your Committee feels the loan participation section is more appropriate and will be more adequate for the implementation of this program.

4. The definition of an ineligible borrower has been amended to include a person who has had any prior loan under the assistance program. It is your Committee's intent that such loans be available only once to each borrower.

5. That participants of the program who have not sold their homes would be allowed five years in which to repay the total loaned amount rather than requiring a lump sum payment. Your Committee recognizes that many participants may not be financially able to make a lump sum payment.

Your Committee on Housing is in accord with the intent and purpose of **H. B. No. 2059-74**, as amended herein, and recommends that it pass Third Reading in the form attached hereto as **H. B. No. 2059-74, H. D. 1**.

Signed by all members of the Committee except Representative Poepoe

SCRep. No. 537-74 Housing on H. B. No. 2541-74

The purpose of this bill is to amend Chapter 47, Hawaii Revised Statutes, relating to the issuance of bonds. Currently, bonds may only be issued for the purposes defined in Section 49-1. By amending Chapter 47, bonds may be issued for any undertaking authorized by general law notwithstanding the specific purposes defined in Section 49-1. Presently, bonds for housing projects cannot be issued by the counties. This bill amends the law to allow such issuances.

Your Committee on Housing is in accord with the intent and purpose of **H. B. No. 2541-74, H. D. 1** and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Poepoe

SCRep. No. 538-74 Housing on H. B. No. 2544-74

The purpose of this bill is to allow county redevelopment entities to sell, lease or sublease the land or completed auxiliary redevelopments to qualified sponsors or developers. The sale, lease or sublease of such land or completed development shall be at the fair market value which reflects the restrictions and covenants imposed upon the developers or sponsors.

This bill would also remove the restriction that counties must acquire undeveloped vacant land for their auxiliary redevelopment projects, so that renewal projects may be undertaken.

Your Committee on Housing is in accord with the intent and purpose of **H. B. No. 2544-74, H. D. 1** and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Poepoe.

SCRep. No. 539-74 Water, Land Use and Development on **H. B. No. 2255-74**

The purpose of this bill is to authorize the department to create a fund of \$121,500 out of moneys heretofore appropriated to it by the legislature to be known as the Anahola-Kekaha fund. The moneys in this fund shall be used to make loans to lessees who are to be residents of Anahola and Kekaha on the island of Kauai to construct homes upon homestead lots. Such loans shall be for a period not to exceed 20 years, shall bear interest at two and one-half percent (2 1/2%) a year and shall not exceed the loan amount specified for a residence lot in Section 215 of this Act.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **H. B. No. 2255-74** and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Iha, Roehrig and Wedemeyer.

SCRep. No. 540-74 (Majority) Water, Land Use and Development on **H. B. No. 2150-74**

The purpose of this bill, as amended, is to amend present law relating to the protection of indigenous and other desirable animal and plant life to clarify ambiguities, define terms and to replace unduly restrictive provisions with those that provide for reasonable control.

The bill makes the Animal Species Advisory Commission advisory to the Board of Land and Natural Resources through the Division of Fish and Game rather than directly to the Division of Fish and Game. Provision is made for establishing a quorum and clarifying compensation and reimbursement for expenses and stenographic services for members of the Animal Species Advisory Commission. The makeup of the Commission has been revised to replace the chief of the Division of Fish and Game with the Chairman or deputy to the Chairman of the Department of Land and Natural Resources and to include scientists in the field of ecology or persons knowledgeable in fishing, hunting and conservation of fish and wildlife.

Any deliberate introduction (regardless of who proposes it) of a species of animal whether imported into the State or transferred from one island of the State to another would be subject to the advice of the Animal Species Advisory Commission. The Act presently limits the Commission's consideration to only those introductions proposed by the Department of Land and Natural Resources.

The term "animal" is defined. Such a definition was lacking. Before recommending the deliberate introduction of a species of animal, the Division of

Fish and Game must find that the individual animals have been examined and tested for detectable diseases and parasites with negative results by the State Department of Agriculture at the expense of the introducing party and that they or their progeny will not be a threat to the control of human or animal diseases or parasites. The Act is presently silent on these provisions and the changes were recommended by the Department of Agriculture.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **H. B. No. 2150-74**, **H. D. 1**, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Iha, Roehrig and Wedemeyer.

Representatives A. Chong and King did not concur.

SCRep. No. 541-74 Water, Land Use and Development on **H. B. No. 2253-74**

The purpose of this bill is to amend present law relating to conditions of loans made under the Hawaiian Homes Commission Act, 1920, as amended, by restating for clarification purposes, the maximum loan limits allowable for different loan purposes.

The bill further provides that unpaid principal balances of loans made directly from the Hawaiian home loan fund are to bear interest at the rate of 2 1/2% a year while other loans are to bear interest at the rate established by the State. Your Committee heard testimony that the present law could be interpreted to mean that the Department can only make or guarantee loans at the interest rate of 2 1/2% a year. Since 1970, the Department has borrowed monies from the State Retirement System and the Hawaii Housing Authority to make home loan monies available to qualified native Hawaiians at the same rate of interest charged the State. This was made possible under Hawaiian Homes Commission Act, Section 213(b)(5). The amendment is necessary to clarify the statutory language to show that only loans made directly from the Hawaiian home loan fund are limited by the 2 1/2% interest rate.

The bill further clarifies present law by correcting an error in use of the phrase "cancellation of lease by the lessee."

Your Committee on Water, Land Use, and Development is in accord with the intent and purpose of **H. B. No. 2253-74** and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Iha, Roehrig and Wedemeyer.

SCRep. No. 542-74 Water, Land Use and Development on **H. B. No. 1470**

The purpose of this bill is to establish a hunter-

safety training program under the administration of the Department of Land and Natural Resources to provide training instruction in hunter safety, principles of conservation and sportsmanship.

Your Committee heard testimony indicating that Hawaii is one of only three states which do not now have a hunter-safety training program. The merits of this kind of program are known and in some states persons wishing to buy a hunting rifle are required to show a certificate indicating completion of a hunter-safety course before the purchase is permitted.

The hunter-safety program would be funded with a combination of federal and state funds. \$38,525 of State funds would be appropriated for the development of the program.

The Department of Land and Natural Resources would be allowed to contract the program to a qualified, private organization if desirable and feasible, as there are groups, such as the Hawaii Rifle Association which have materials and competence to conduct such programs.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **H. B. No. 1470, H. D. 2**, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Iha, Roehrig and Wedemeyer.

SCRep. No. 543-74 Judiciary and Corrections on **H. B. No. 2052-74**

The purpose of this bill, as amended, is to amend present law by providing that in connection with the taking for public use of private real property, the State or any county may take private personal property permanently upon or used in connection with the real property being taken. Under present law such taking of private personal property was authorized only where the real property was used for agricultural purposes.

Your Committee has amended the bill to provide that the taking of private personal property be taken for a public use. This amendment is for clarification only.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 2052-74**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 2052-74, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 544-74 Judiciary and Corrections on **H. B. No. 2167-74**

The purpose of this bill as amended is to void any provision in an oral agreement or written instrument entered into or executed after the effective date of this bill if enacted which purports

to forbid or restrict the erection of fences unless the agreement or instrument provides:

(1) That fences of more than one type of construction and form may be permitted after the approval of the grantor or lessor has been secured; (2) For reasonable alternatives to fences in the form of other methods of enclosure designed to serve as a boundary, exclude intruders, or preserve individual privacy; or (3) For more than one alternative in fence construction and form.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 2167-74**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 2167-74, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 545-74 Judiciary and Corrections on **H. B. No. 2330-74**

The purpose of this bill, as amended, is to amend present law relating to traffic violations and the Statewide Traffic Code in the interest of public safety and providing better administration under various provisions of the traffic code.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 2330-74, H. D. 1**, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 546-74 Judiciary and Corrections on **H. B. No. 2080-74**

The purpose of this bill is to establish a criminal injuries compensation fund from which the criminal injuries compensation commission can make payments to victims or dependents found eligible for compensation under the provisions of chapter 351, Hawaii Revised Statutes.

Under the present law, after the commission makes an award for compensation, no funds are available for payment until the Legislature convenes and passes an appropriation measure providing funds to pay commission awards made during the prior year. This necessity for prior legislative appropriations to make payments has resulted in undue delay before payments are made to persons found by the commission to be deserving of compensation. Testimony before your Committee by the representative of the commission indicated that it is usually 12 to 18 months after the victim has been injured before any compensation is paid. While part of this delay is caused by the investigation to determine the merits of claims, a substantial portion of the delay is caused by the need to obtain Legislative approval in the form of an appropriation before a meritorious claim can be paid.

Although the present law provides for an emergency payment fund from which the commission can make payment of funds needed for immediate use as a result of the injuries sustained by the victim, this has proved impractical and no funds have ever been disbursed under this provision. This is because by the time the commission completes its investigation as to whether a claim has merit, the emergency need has already been met through other sources such as public assistance or help from relatives.

Your Committee believes that meritorious claims for compensation should be paid as soon as possible and that undue delay is unfair to the victim and the victim's dependents.

Upon consideration of this bill your Committee has provided for an appropriation in the amount of \$150,000 for the purpose of establishing the criminal injuries compensation fund.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 2080-74**, as amended herein, and recommends that it pass Third Reading in the form attached hereto as **H. B. No. 2080-74, H. D. 1.**

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 547-74 Judiciary and Corrections on **H. B. No. 2860-74**

The purpose of this bill is to make infractions of the regulations promulgated by the Department of Health relating to vehicular noise control, vehicular smoke emissions, and open burning violations of the Hawaii Penal Code. By classifying such infractions as a violation as that term is defined under the Penal Code, police officers will be able to enforce the regulations. If police officers were not utilized for enforcement, the regulations would not be effectively enforced as the Department of Health lacks the manpower needed for effective regulation.

Upon consideration of this bill, your Committee feels that the minimum fine of \$100 for violation of the vehicular noise control and vehicular smoke emission regulations is excessive. Some violations may be unintentional and minor and a judge should have more discretion in setting the fine in such cases. Therefore, your Committee recommends that Section 342-11 be amended to decrease the minimum fine to \$25 rather than \$100.

Your Committee has further amended the bill by adding a new section providing for issuance of citations for violations of the regulations.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 2860-74, H. D. 1**, as amended herein, and recommends that it pass Third Reading in the form attached hereto as **H. B. No. 2860-74, H. D. 2.**

Signed by all members of the Committee.

SCRep. No. 548-74 (Majority) Judiciary and Corrections on **H. B. No. 2749-74**

The purpose of this bill is to add a new section to Chapter 396, Hawaii Revised Statutes, to make clear that the issuance of a citation, the voluntary payment of a penalty, the finding of a violation, or the assessment of a penalty for an alleged violation of federal or state occupational safety and health law or standard is not admissible evidence in a civil action for damages.

Your Committee finds that the assessment of liability in a civil tort case involves different issues from alleged violations of occupational safety and health laws or standards.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 2749-74, H. D. 1**, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Takamine and Wedemeyer.

Representative Cobb did not concur.

SCRep. No. 549-74 Agriculture on **H. B. No. 2406-74**

The purpose of this bill is to facilitate the extension of credit for operations under the farm loan program by appropriating moneys in the treasury received from general obligation bond funds to the farm loan revolving fund. As originally drafted, the bill provided for the issuance of general obligation bonds for the purpose of the Act in the amount of \$2,000,000. Your Committee has reduced the amount authorized and appropriated to \$500,000.

Your Committee on Agriculture is in accord with the intent and purpose of **H. B. No. 2406-74**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 2406-74, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Roehrig and Kawakami.

SCRep. No. 550-74 Consumer Protection on **H. B. No. 719**

The purpose of this bill is to enlarge the jurisdiction of the Office of Consumer Protection by empowering said office to prosecute any person who furnishes services for which a license is required from the Department of Regulatory Agencies. A new section is added to chapter 487 relating to the Office of Consumer Protection, and the proposed section is explained in greater detail in **Standing Committee Report No. 255-74** of your Committee.

Your Committee on Consumer Protection is in

accord with the intent and purpose of **H. B. No. 719, H. D. 1** and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Carroll and Roehrig.

SCRep. No. 551-74 Water, Land Use and Development on **H. B. No. 3005-74**

The purpose of this bill, as amended, is to amend the existing law by allowing freshwater fishing and hunting licenses and badges to be issued on an annual basis without cost to persons sixty-five years of age and older.

The bill, as amended, further provides that where a license has been forfeited for violation of game laws or where a license cannot be granted for three (3) years because of a second conviction for violation of game laws, persons sixty-five years or older, upon becoming eligible to apply for a license, may be issued such license without charge.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **H. B. No. 3005-74, H. D. 1**, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Iha, Roehrig and Wedemeyer.

SCRep. No. 552-74 Water, Land Use and Development on **H. B. No. 2254-74**

The purpose of this bill is to authorize the department to create a fund of \$200,000 out of moneys heretofore appropriated to it by the legislature to be known as the Papakolea home-replacement loan fund. The moneys in this fund shall be used to make loans to lessees who are residents of Papakolea on the island of Oahu to construct replacement homes upon the leased lots. Such loans shall be made at the interest rate of two and one-half percent (2-1/2%) a year and shall not exceed the loan amount specified for a residence lot under Section of this Act.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **H. B. No. 2254-74** and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Iha, Roehrig and Wedemeyer.

SCRep. No. 553-74 Labor and Public Employment on **H. B. No. 690**

The purpose of this bill is to provide that the staff of the Hawaii Public Employment Relations Board shall become civil service employees; to provide that the executive officer, investigators, and hearings officer shall hold their positions during good behavior, subject to removal by the board only as provided in chapter 76, Hawaii Revised Statutes; and to provide that the board may fix the compensation and provide for reim-

bursement of actual and necessary expenses of the executive officer, mediators, members of fact-finding boards, arbitrators, and hearings officers and any other assistants.

Your Committee upon consideration of this bill recommends the following amendments:

(1) Section 1 of the bill be amended to include investigators among the employees of the HPERB and to provide that the employees, other than the executive officer, investigators, and hearings officer, be covered by civil service laws.

(2) Section 2 of the bill be amended to provide that all current employees who would be under civil service after passage of this bill shall assume civil service status without loss of salary, seniority, prior service credit, vacation, sick leave, or other employee benefits or privileges and without the necessity of examination.

(3) Add a section 3 to the bill to provide that the current executive officer and hearings officer be allowed to retain their positions during good behavior and subject to removal by the board only as provided in chapter 76.

(4) Add a section 4 to the bill appropriating \$50,000 for two investigator positions to serve the board.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of **H. B. No. 690**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 690, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Wakatsuki and Wong.

SCRep. No. 554-74 Labor and Public Employment on **H. B. No. 2750-74**

The purpose of this bill is to provide permanent full-time status to homemakers in the department of social services and housing so that homemakers currently classified as part-time intermittents can receive full benefits under the civil service system. In addition, this bill provides for permanent civil service status for participants in the State's Public Employment Program and the Public Service Careers Program Plan "A". Finally, this bill amends present law by extending the total period of temporary employment which may be exempted from civil service, from six months to one year.

Your Committee upon consideration of this bill recommends the following amendments:

(1) Section 1 of the bill be amended to provide that participants in the State's Public Employment Program and the Public Service Careers Program Plan "A" who have entered the respective programs since May 22, 1973 may be granted permanent appointment status in the appropriate

civil service system.

(2) Section 2 of the bill be amended to extend the total period of temporary employment which may be exempted from civil service, from six months to one year.

(3) Section 3 of the bill be amended to provide permanent full-time status to homemakers in the department of social services and housing so that homemakers currently classified as part-time intermittents can receive full benefits under the civil service system.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of **H. B. No. 2750-74**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 2750-74, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wakatsuki.

SCRep. No. 555-74 Judiciary and Corrections on **H. B. No. 1843**

The purpose of this bill, as amended, is to provide statutory authority for the arrest of persons in the act of committing, or who are suspected of committing, a violation as that term is defined in the Hawaii Penal Code.

Under the Hawaii Penal Code, a violation is the lowest class of offense. Although a violation constitutes the commission of some unlawful act, the Penal Code specifically provides that an offense does not constitute a crime.

The present arrest statutes provide that a person in the act of committing a crime (Section 723-3) or reasonably suspected of committing a crime (Section 723-4) may be arrested without a warrant. Because these statutes speak in terms of a crime, they do not authorize arrest of persons committing, or reasonably suspected of committing, a violation. As a result, such persons cannot be arrested.

Your Committee finds that, in certain circumstances, it is necessary to make warrantless arrests of persons who are in the act of committing, or are suspected of committing, a violation. This bill would give such arrest powers to the police and other persons.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 1843**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 1843, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 556-74 (Majority) Judiciary and Corrections on **H. B. No. 2067-74**

The purpose of this bill is to establish a system of environmental review at State and county levels, which will insure that environmental policies of the legislature are given appropriate consideration in decision-making along with economic and technological considerations.

The bill in its original form sought to accomplish the purpose of the bill by requiring environmental impact statements to be filed on all major actions which would have significant adverse effects on the environment, and the director of the environmental quality control would have administered the provisions under the bill.

Your Committee has amended the bill to provide for the establishment of an environmental quality commission which shall administer the provisions in the bill. The commission shall be composed of ten (10) members appointed by the governor and confirmed by the senate. The membership shall include representatives of labor, management, construction industry, environmental interest groups, real estate groups, and the architectural, engineering and planning professions. The director of environmental quality control shall serve as ex officio voting member.

The bill, as amended, requires an environmental impact statement, for (1) any action proposing the use of state or county lands or funds if such an action would have "significant effects" on the environment and (2) any action proposing the use of land in the area between the shoreline and three hundred feet inland from the shoreline, the use of any land in a conservation district, the use of any land for the construction of resort and hotel facilities, or the use of any land for which a change in land district or classification, change in zoning or change in the county general plan is required. By rules and regulations, the commission shall provide for (1) a list of classes of action which, because of no "significant effects," shall be exempt from the requirement of a statement and (2) a list of classes of actions not otherwise covered for which a statement shall be required because of "significant effects" on the environment. The environmental quality commission is further mandated to promulgate rules and regulations which shall include those matters specifically delineated in the bill, including rules and regulations prescribing the contents of an environmental impact statement.

The bill, as amended, also provides, in the case of any agency proposing an action involving the use of state or county lands or funds, that the commission, by rules and regulations, prescribe procedures for informing the public of determinations that a statement is either required or not required and for informing the public of the availability of statements for review and comments. And, in the case of any other proposed actions for which a statement is required, the bill provides for an authority to approve or disapprove the statement. The decision of such an authority may be appealed to the environmental quality commission which, after a public hearing,

renders the final decision. After the administrative remedies under the bill are exhausted, judicial review pursuant to the administrative procedure act is provided for a person or agency with standing.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of H. B. No. 2067-74, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H. B. No. 2067-74, H. D. 1.

Signed by all members of the Committee except Representative Wedemeyer.

Representative Carroll did not concur.

SCRep. No. 557-74 Judiciary and Corrections on H. B. No. 3051-74

The purpose of this bill is to amend Section 476-1.5, Hawaii Revised Statutes, which provides that as to any transaction governed by the Federal Truth in Lending Act, such Act and rules and regulations promulgated thereunder by the Federal Reserve Board are paramount over the disclosure requirements of Chapter 476. The bill amends the section as follows:

1. Deletes the specific federal law and agency mentioned and substitutes therefore federal law and federal agencies in general.

2. Expands the scope of the section by providing that when federal law or regulations are in pari materia or upon the same subject matter as Chapter 476, compliance with such federal law or regulations shall be compliance with Chapter 476 even though the transaction is of a class exempted from such federal law or regulations.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of H. B. No. 3051-74, H. D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 558-74 Judiciary and Corrections on H. B. No. 2888-74

The purpose of this bill is to update the Residential Landlord-Tenant Code.

Upon consideration of this bill your Committee recommends the following amendments:

1. Section 521-64 — Leave undisturbed the 30 day period in the present statute within which the landlord may make repairs after being notified by the tenant or the department of health of a deficiency in the dwelling unit. Also leave unchanged the requirement that the tenant present written estimates of work proposed to be done 30 days before having the work done. Your Committee is of the opinion that the 30 days provided for in the present Statute is adequate and is not

unduly burdensome to either tenants or landlords.

2. Section 521-56 — Language changes which effectuate the intent of the proposed new section and add a provision that the landlord may himself store the property left in the dwelling unit and be entitled to a reasonable storage fee.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of H. B. No. 2888-74, H. D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H. B. No. 2888-74, H. D. 2.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 559-74 Judiciary and Corrections on H. B. No. 2547-74

The purpose of this bill is to establish a State policy which will encourage productive and enjoyable harmony between man and his environment, promote efforts which will prevent or eliminate damage to the environment and biosphere and stimulate the health and welfare of man, and encourage the ecological systems and natural resources important to the people of Hawaii.

Your Committee after careful review of the report of the temporary Commission on Statewide Environmental Planning, agrees with its findings that:

(1) Hawaii's natural environment is limited in scale and quantity. In many aspects it is fragile and unique.

(2) Hawaii's man-made environment consists of social institutions and physical structures which are dependent on the natural environment.

(3) The man-made environment frequently consumes natural resources and modifies the natural environment; man has the capacity to enhance the physical environment so as to reduce the strain on the environmental balance.

(4) Human beings organize themselves into societies which strive to better their quality of life.

(5) High standards of living, currently equated with higher rates of consumption, as practiced in developed industrial nations, frequently consume more of the natural environment.

(6) Man is an integral part of the total physical environment and not separate from it.

(7) The man-made environment cannot continue to take indefinitely from the natural environment beyond the assimilative capacity of the natural environment to regenerate itself. Man must seek to attain a balance with the environment so as to optimize both the quality of his life and the quality of the environment.

(8) The maintenance of a quality environment for the people of this State now and in the future is a matter of statewide concern.

(9) It is necessary to provide a high quality environment that at all times is healthful and pleasing to the senses and intellect of man.

(10) There is such a thing as an Aloha Spirit identified with empathy, tolerance, graciousness, friendliness, understanding, giving. It is fragile and can be shattered by population pressures and a highly competitive society. It is worth preserving and one way to do so is to master the pressures alienating us in our own land. It springs from the natural environment of these islands and the heritage of Hawaiian life styles. Our island geography, a benign climate, and beautiful vistas help create this spirit. Thus, we have an additional debt to our natural surroundings and a strong self-interest in protecting and enhancing what nature has given us.

(11) Where interests of residents and non-residents conflict, those of residents should take precedence, over those of non-residents without denying fundamental human rights.

(12) There is a need to understand the relationship between the maintenance of high quality ecological systems and the general welfare of the people of the State, including their enjoyment of the natural resources of the State.

(13) The capacity of the environment is limited, and the government of the State should take immediate steps to identify any critical thresholds for the health and safety of the people of the state and take all coordinated actions necessary to prevent such thresholds being reached.

(14) Every citizen has a responsibility to contribute to the preservation and enhancement of the environment.

(15) The interrelationship of policies and practices in the management of natural resources and waste disposal requires systematic and concerted efforts by public and private interests to enhance environmental quality and to control environmental pollution.

(16) All agencies of state and county governments which regulate activities of private individuals, corporations, and public agencies which may affect the quality of the environment, should regulate such activities so that major consideration is given to preventing environmental damage.

(17) Hawaii must find the key which will lead to a balance between man and nature and resolve conflicts between the man-made and natural environments. These conflicts place society in the role of aggressor against nature as we seek to fulfill human desires.

(18) The imbalance is directly related to popula-

tion pressures. In Hawaii today, growth of population and increased levels of human desires have outpaced our capability to grow without environmental damage.

(19) Hawaii is approaching and in some cases has exceeded, the limits of the environment's ability to support human activities at present levels of technology; we have in these cases exceeded the carrying capacity of the environment. We have reached a condition of "overload". The result is a diminished quality of life and environment.

(20) Statistics show that Oahu's population of 257,696 in 1940 grew to 630,528 in 1970 and is predicted to range between 990,000 and 2,010,000 by the year 2000.

(21) Motor vehicle registration is doubling about every 12 years; the annual count of tourists is doubling every four years. It is questionable if Oahu, with crowded streets and 360,000 motor vehicles now can possibly accommodate 700,000 cars by 1985.

(22) If the key is "overload", certain courses of action are clearly indicated:

(a) The condition of overload is not solely that of population density, but until consumption practices are moderated, and technology advances are made, Hawaii must pause or slow down its growth in population.

(b) Hawaii must proceed quickly to measure the ability of our natural environment to cope with the impact of human society. We must determine which systems are most susceptible to overload, and at what level of human activity the overload occurs. Evidence is abundant that the capacity of either our natural environments or our man-made environment is already overloaded in many places.

(c) Moderation of population overload and the measurement of environmental carrying capacity must quickly be directed toward certain areas. These are the areas of critical concern. These are the places where current trends toward overload are most severe. Among these are:

Coastal Zone

All of Oahu

Agricultural lands

Tourist facilities

Energy consumption

Unique natural and historic sites

Social welfare costs

(d) The carrying capacity of our environment is not only a function of how many people

we accommodate, but it is also directly related to consumption practices. The technology we use to gratify human desires and meet basic human needs can be improved. Some people claim that technology has brought about the imbalance between man and nature. The Legislature believes that our engineers and scientists can develop and apply newer technology which can meet society's needs and desires, while still protecting the natural environment. Our growth in population should be matched by growth of this new technology.

(e) The status of overload is also a function of our collective ignorance. No intelligent society would deliberately set out to destroy its life-support. Yet, because we do not know all that we should, society is doing that very thing. Hawaii must learn what is needed so that there evolves in all our people a new ethic by which to live. This ethic is fundamental to our goal of balance with nature. It will be achieved by the conscious and unconscious recognition of the results of our consumption of the natural environment, and learning the actions which we must take to achieve harmony.

(23) Recognizing that the key to our environmental dilemma is overload, the State must adopt a state environmental policy, the attainment of which will prevent new overload conditions and correct existing ones. Pursuant to this state policy, the State must consider certain guidelines which govern societal actions.

Your Committee finds that Hawaii does not now have an environmental policy, and that such a policy should be established to guide decision-making regarding actions or programs which may significantly affect the environment. Your Committee acknowledges the efforts of the temporary commission on statewide environmental planning which was charged by the legislature with developing a foundation to build future environmental programs. The commission worked diligently in this area during recent months and submitted a report intended as a guideline useful in the shaping of government activities. Your Committee has accepted and implemented in the bill many of the recommendations of the temporary commission on statewide environmental planning.

Your Committee has amended the bill in form and content but adhered to the original purpose of the bill. Generally, your Committee has reduced the bill to a more concise statement of the environmental policy and guidelines which all State and County agencies, in the development of programs shall, insofar as practicable, consider in pursuance of the environmental policy.

Your Committee has determined that the bill setting forth the environmental policy and guidelines to be considered in the development of programs are sufficient for the State and County agencies to carry out the purpose of the bill without the need for an express direction therefor

in the bill. In this respect, your Committee intends that insofar as practicable, all state and county agencies, boards, and commissions should examine their policies, activities, programs and standards to conform them with the purposes of the bill, and further, recommend legislation or legislative action, as they deem appropriate, to the next legislature, through their respective chief executive officers, in the furtherance of the said purposes.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 2547-74**, as amended herein, and recommends that it pass Third Reading in the form attached hereto as **H. B. No. 2547-74, H. D. 1**.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 560-74 Judiciary and Corrections on **H. B. No. 2681-74**

The purpose of this bill is to insure that take-overs of Hawaii corporations will be fair and equitable by requiring persons to disclose and register their plans to take over the control of Hawaii corporations.

Under the provisions of the bill, stockholders of Hawaii corporations, as well as State public officials and the general public, will have access to detailed information relating to the offerer and any plans which the offerer has if the take-over bid is successful, in addition to receiving all pertinent information relating to the take-over bid itself. The intent of the bill was endorsed by the Department of Regulatory Agencies and representatives of private industry.

Your Committee finds that take-overs of Hawaii corporations could adversely affect local stockholders, the population in general and the economy of the State. This bill would help to protect against take-overs which would result in such adverse effects.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 2681-74, H. D. 1**, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 561-74 Judiciary and Corrections on **H. B. No. 3055-74**

The purpose of this bill is to make certain amendments to the horizontal Property Act. The proposed amendments are as follows:

1. A new concept of "time sharing" has emerged in the area of the resort and recreational type of condominium. Under this concept a purchaser buys a "time period unit" which gives him ownership of the condominium unit during a certain period of time. Other purchasers own

"time period units" which give them ownership of the unit during different periods of time. In this way, a number of people own the same physical unit during different periods of time. It is not clear whether such an interest can be created under the present statute. To make clear that "time sharing" is permissible and that a "time period unit" can be treated as a separate unit and not a co-tenancy arrangement, paragraphs 22 and 23 have been added to Section 514-2. Appropriate harmonizing amendments have been made to Sections 514-4 and 514-23 to clearly indicate that a "time period unit" is a severable unit and can be treated as such.

2. In the filings of condominium projects with the Real Estate Commission, the concept of "phased or incremental development" has been introduced. In order to clearly indicate that such "phased or incremental development" is possible, there has been added Subparagraph 2 to Section 514-11 as to the contents of the Declaration.

3. As to the description of the land which is submitted to a horizontal property regime on some occasions, the description is very lengthy. It is unnecessary to have it repeated in all of the deeds and, therefore, provision has been made to provide for incorporation by reference of the description in the Declaration into the deed in Section 514-12.

4. There appears to be some contradiction between Section 514-14 and Section 514-15 as to whether the latter section restricts the provisions of Section 514-14 with respect to what purposes the purchasers' funds can be used. Section 514-15 has been amended to make it clear that the purchasers' funds can be used for construction and other costs and expenses as defined in Section 514-14.

5. There has been some question as to whether or not any Improvement District Assessment or any utility assessment constituted a blanket lien which affected an apartment that at the time of the conveyance or lease the same had to be paid off. Section 514-16 has been amended to make it clear that an Improvement District Assessment and/or utility assessment is not such an assessment that needs to be paid off in order to convey an apartment.

6. Under the priority of liens in Section 514-24, where there is an unpaid mortgage of record, there is a question as to whether or not the lien includes costs and expenses including attorney's fees as provided for in the mortgage. The amendment to Section 514-24 provides that the mortgages of record, including costs and expenses and attorney's fees, will have priority over the maintenance fees of the Association of Apartment Owners.

7. The present Horizontal Property Act is not clear whether or not an offer of sale or sales can be made without the issuance of a preliminary or final public report. In order to make it clear that it is necessary to have a public report Section 514-29

is amended to that effect.

8. At the present time it is not clear as to the time limit within which a purchaser could protest as to changes in building plans. The amendment made to Section 514-31 is to provide that if a purchaser has not objected to changes within ninety (90) days after he has made a written acceptance of the apartment or has first occupied the apartment, then he is bound by whatever changes may have occurred in the building plans of the project.

Your Committee has amended pages 6, 7 and 11 of the bill to make minor technical and language changes for clarity which do affect the substance of the measure.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of H. B. No. 3055-74, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H. B. No. 3055-74, H. D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 562-74 Judiciary and Corrections on H. B. No. 2594-74

The purpose of this bill as amended is to create a reward fund for information leading to the arrest and conviction of promoters of dangerous drugs and to appropriate funds to be used by the attorney general in providing direct access to his office for persons providing information relating to promotion of dangerous drugs.

Your Committee is aware of the fact that drug abuse continues to be a serious problem and measures such as this are needed to combat the problem.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of H. B. No. 2594-74, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H. B. No. 2594-74, H. D. 1 and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Carroll and Wedemeyer.

SCRep. No. 563-74 Judiciary and Corrections on H. B. No. 1551

The purpose of this bill is to provide for retraction and correction of errors of fact published or disseminated by the media.

The bill as originally drafted, set forth in detail the manner in which a retraction should be made and provided that retraction in compliance with its provisions would be a matter in mitigation in any action resulting from publication of the error.

Upon consideration of this bill, your Committee recommends the following amendments:

1. Require, rather than merely permit, the retraction of errors of fact and provide for a cause of action for failure to make a retraction. It would be meaningless to merely allow the media, at their option to make a retraction.

2. Eliminate the detailed method of retraction as provided in the bill as originally drafted and provide that the retraction be given "similar prominence" as was the error of fact. Your committee believes that the common meaning of the term is sufficient to guide the media in making proper retractions without causing undue burden as may specific requirements. It is intended by your Committee that insofar as practicable, the retraction be as conspicuous as the error.

Your Committee finds that the media, with its capacity for rapid and widespread communication, owes a duty to the public to see that the information it disseminates is accurate. Your Committee further finds that it is in the public interest that errors of fact disseminated by the media be promptly and fairly corrected.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 1551**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 1551, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 564-74 Judiciary and Corrections on **H. B. No. 3056-74**

The purpose of this bill is to make certain amendments to the Horizontal Property Act. The proposed changes are as follows:

1. Amend Section 514-3 to require the fee owner of land to join in the declaration establishing a horizontal property regime whether the project is a fee simple or leasehold property. In some instances, where there is a default by a master sublessor under his master lease, the apartment owner may not have protection under his apartment lease. This amendment is designed to prevent such situations.

2. Amend Section 514-13 to require that elevations of buildings be required to be filed along with the floor plans. The reason for this amendment is to insure that in the event of damage or destruction of the buildings, the elevations would be available to architects or engineers for reconstructions.

Upon consideration of this measure, your Committee has amended the bill to delete the proposed amendments to Section 514-10. Your Committee feels that allowing percentage interests for the common interests appurtenant to each apartment to be different from the percentage assessed against each apartment for common expenses may lend to abuses. The title of the bill has been amended to reflect this amendment.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 3056-74**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 3056-74, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 565-74 Judiciary and Corrections on **H. B. No. 3057-74**

The purpose of this bill is to allow a horizontal property regime to include non-contiguous parcels of land.

Under the present statute, a horizontal property regime may consist of two or more parcels of land separated only by public streets or ways. At times, it may be necessary or desirable to the development of a condominium project that the parking area be detached and not contiguous to the land on which the building is located. There may also be situations, especially in a recreational type project, where it may be desirable that the recreational area not be contiguous to the area in which the condominium apartments are located. Further, a project may be developed in increments and the common recreation area may be located in one increment. Allowing a project on non-contiguous parcels of land will give greater flexibility in the development of condominium projects.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 3057-74** and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 566-74 Judiciary and Corrections on **H. B. No. 676**

The purpose of this bill, as amended, is to amend present law relating to pay of jurors by increasing the pay of jurors from \$10 to \$20 for each day of actual attendance at court. Your Committee was informed that the basis for the increase is the federal statutes which became effective in 1968. Technical amendment was made to reflect the correct section numbers in H. R. S.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 676**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 676, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 567-74 Judiciary and Corrections on **H. B. No. 2771-74**

The purpose of this bill is to amend Chapter 553, Hawaii Revised Statutes, the Uniform Gifts To Minors Act, to reflect the change in the age of majority from 21 years to 18 years.

This bill amends sections 553-1 and 553-4, Hawaii Revised Statutes, by substituting eighteen years for twenty-one years wherever reference is made to the age of majority. In conformity with such changes, the bill also amends section 553-7, Hawaii Revised Statutes, to substitute seventeen years for twenty years wherever reference is made to a minor twenty years of age.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 2771-74** and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 568-74 (Majority) Judiciary and Corrections on **H. B. No. 2396-74**

The purpose of this bill is to clarify the status of holdover appointees requiring the advice and consent of the senate with respect to their terms of office.

The present statute is silent as to the status of holdover appointees and, therefore, there is a cloud over official actions taken by them. This bill as originally drafted provided that the terms of office of holdover appointees would expire at the end of the next session of the senate. Upon consideration of this measure, your Committee recommends the following amendments:

1. More definitely fix the expiration date of the term of holdover appointees office by providing that an appointee can continue to serve until the next regular session of the senate or until the end of the next special session of the senate alone, whichever first occurs. The bill as originally drafted used the term "session" alone without further clarification.

2. Make clear that appointees who have served two consecutive terms or eight years on the same board or commission may holdover despite the prohibition against serving more than two consecutive terms or eight consecutive years.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 2396-74**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 2396-74, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

Representatives Cobb and Wong did not concur.

SCRep. No. 569-74 Agriculture on **H. B. No. 2859-74**

The purpose of this bill is to amend Section 150A-5, H. R. S., on the introduction of plants and animals into Hawaii and modifies the requirement that all animals brought into the State must be the "progeny of captive populations."

The plant and animal quarantine law, as amended in 1973, has resulted in a ban so stringent that it now virtually prohibits the importation of any organisms that are not the "progeny of captive populations." This was not the legislature's purpose. The use of the phrase "progeny of captive populations" was to discourage the importation of foreign wild birds which represent excessive commercial exploitation of wild native bird species in other lands. We now find that the language in the law hinders ongoing programs of the Departments of Agriculture and Health, the University of Hawaii, and importers of live sea food. The law, if strictly enforced, prohibits the Department of Agriculture from importing beneficial insects to combat agricultural and environmental pests. Moreover, the Department of Health and the University of Hawaii, School of Medicine research programs would suffer if they had to introduce organisms that are the "progeny of captive populations." In fact, many organisms being brought in for diagnosis would be prohibited.

The bill as originally drafted proposed to amend H. R. S. Section 150A-5 to limit the application of the language "progeny of captive populations" to birds. Your Committee finds that the better solution would be to leave the application of the language general and permit the importation of animals that are the progeny of captive populations or "have been specifically approved for importation" by the Board of Agriculture. The bill has been amended accordingly. We have also considered the arguments of those who fear that the discretionary power vested in the Board will pave the way for the importation, for commercial purposes, of a certain species of eel deemed dangerous to native animal populations. To remedy this problem, we have amended the bill to provide that the importation of eels of the order of Anguilliformes is specifically barred. Other minor amendments have also been made.

Your Committee on Agriculture is in accord with the intent and purpose of **H. B. 2859-74** and recommends that it pass Second Reading in the form attached hereto as **H. B. 2859-74, H. D. 1**, and that it be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Roehrig.

SCRep. No. 570-74 Judiciary and Corrections on **H. B. No. 2682-74**

The purpose of this bill is to amend the

mechanic's and materialman's lien law by limiting the lien rights of persons furnishing material for improvements made to real property used for residential dwelling purposes and of contractors who are not licensed.

Under existing law, improvements can be attached with lien if the general contractor fails to pay the supply house which provided the materials used in the improvement.

H. B. No. 2682-74, H. D. 2, as amended herein, proposes to amend the existing law as follows:

(a) **Supplier.** A supplier who furnishes material to an unlicensed contractor or subcontractor or if he unreasonably advanced credit for the material to any contractor shall forfeit his lien rights. The limitations apply only to real property used for residential dwelling purposes, including real property used for rental apartments and condominium apartments for dwelling purposes.

(b) **Contractor.** An unlicensed contractor or a licensed contractor who subcontracts from an unlicensed contractor shall forfeit his lien rights. These limitations apply to improvements to all real property without any qualifications.

(c) **Procedural requirements before a lien attaches.** Presently, a lien attaches when a notice of the lien is filed in court. As proposed to be amended, the owner and other interested parties would have to be served with a summons and copy of the notice, and only after a hearing will the lien attach.

With respect to (a) and (b) above, it is not the intent of your Committee to indirectly amend the definition of contractor as provided under chapter 444, which exempts an owner-builder from the licensing requirements. The supplier will still be entitled to a lien on the real property of an owner-builder because the added limitation refers only to the furnishing of materials to a general contractor as defined in chapter 507 (a person who enters into a contract with the owner for the improvement of the real estate).

As it is not intended that the lien right is forfeited by a supplier who furnishes material to a contractor or subcontractor, either of whom is exempt from the licensing requirement, your Committee has amended the bill to delete so much thereof as would have so provided.

Your Committee has made other non-substantive style changes for purposes of clarity.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 2682-74, H. D. 2**, as amended herein, and recommends that it pass Third Reading in the form attached hereto as **H. B. No. 2682-74, H. D. 3**.

Signed by all members of the Committee except Representatives Kato, Aduja, Carroll, Fong,

Kawakami, Medina and Wedemeyer.

SCRep. No. 571-74 Finance on H. B. No. 2436-74

The purpose of this bill is to amend Section 239-5, Hawaii Revised Statutes, by adding a new subsection thereto which provides a special tax rate on sales between utilities.

Under existing law utilities in lieu of real property and general excise taxes are levied a minimum of 5.885 per cent of its gross income. The new subsection will make a rate exception for sales between utilities. The proposed tax rate is .8 per cent.

Your Committee on Finance is in accord with the intent and purpose of **H. B. No. 2436-74, H. D. 1**, and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 572-74 Finance on H. B. No. 2095-74

The purpose of this bill is to amend various provisions of Chapter 37 pertaining to the allotment control system.

The present system of allotment control extends to a fine level of detail. This control involves the approval, disapproval, or modification of specific objects of expenditure. Such a system poses no serious problems when the amounts allotted are the same as the amounts appropriated. However, in time of austerity when allotments are substantially below appropriations, as in the current fiscal biennium, the central budget agency, through the allotment system, exercises control over program execution decisions. In order to place the responsibility for such decisions where it rightfully belongs without any detraction from the central budget agency's responsibility to oversee and safeguard the overall financial condition of the State, this bill provides that when allotments are less than appropriations, the central budget agency would notify the various agencies of the aggregate reductions to be made but each agency would decide which program and which objects of expenditures are to be reduced.

This bill amends various provisions of H. R. S., Chapter 37 pertaining to the allotment control system. The more significant changes proposed are as follows:

1. Amendments to Section 37-31 (Intent and Policy) providing that savings may be effected with due regards to changing revenue condition.

2. Amendments to Section 37-31 (Intent and Policy) providing that savings due to economic and efficient management can be effected when such savings can be accomplished while achieving the program objectives intended by the Legislature.

3. Amendments to Section 37-35 (Approval of Estimated Expenditures) providing that the agen-

cies will resubmit expenditure estimates if such adjustments are found necessary by the Administration. The Administration will determine the aggregate amount of the adjustments to be made but each agency will be allowed to determine the specific program adjustments it wishes to effect.

4. Amendments to Section 37-37 (Reduction of Allotments) providing that savings due to economic and efficient management may be effected if program objectives intended by the Legislature can still be achieved and allowing the agencies to resubmit expenditure estimates if such adjustments are found necessary. Also, similar to amendments in Section 37-35 the Administration will determine the aggregate amount of the adjustments to be made but each agency will be allowed to determine the specific program adjustments it wishes to effect.

5. Amendments to Section 37-39 (Reduction of Allotted Amounts for Objects and Items) providing that the agency may reduce expenditure for specific items and objects of expenditures only if program objectives intended by the Legislature can still be achieved in spite of the reduction.

Your Committee on Finance is in accord with the intent and purpose of H. B. No. 2095-74 and recommends that it pass Second Reading and be placed on the calendar for third reading.

Signed by all members of the Committee.

SCRep. No. 573-74 Education on H. B. No. 390

The purpose of this bill is to establish a State-wide school security patrol which shall be charged with the prevention of on-campus vandalism, hijacking, drug sales and use, and other activities inimical to academic and scholastic pursuits in the public schools.

Your Committee has converted this short-form bill into long form.

Your Committee on Education is in accord with the intent and purpose of H. B. No. 390, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H. B. No. 390, H. D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 574-74 Labor and Public Employment on H. B. No. 2636-74

The purpose of this bill is to allow an employee who suffers a work injury and then is terminated while still recuperating from that injury to file a complaint within thirty days from the day he is able to return to work instead of from the date of termination.

Existing law provides that no complaint can be

filed after the expiration of thirty days after the alleged act of unlawful suspension or discharge. Situations have arisen where the employer terminated an employee who suffered a work injury while the employee was still laid up in the hospital or in bed. These situations make it impossible for the aggrieved employee to file his complaint within thirty days from the date of termination notice. This bill would give the aggrieved employee a reasonable time to file the complaint and an opportunity to be heard.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H. B. No. 2636-74 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wakatsuki.

SCRep. No. 575-74 Labor and Public Employment on H. B. No. 2813-74

The purpose of this bill is to add a new section to Chapter 346 to exempt work incentive programs approved by the director of social services from the filing, reporting, and fee requirements, or other impositions under the State Income Tax, Workmen's Compensation, or Temporary Disability Insurance Laws.

The bill would allow persons or agencies sponsoring a work incentive program to apply for exemptions from filing and other requirements with the departments of taxation and labor and industrial relations if work is provided under the program at not less than the State minimum hourly wage for minors during a school year and the program is approved by the director of social services.

Your Committee agrees the primary objectives of a work incentive program are related to training and character building and that the normal incidents of employment are secondary thereto. The proposed exemptions would make more work incentive programs available to young people who could be helped through participation in them.

An exemption from the requirements of the Unemployment Compensation Law has also been provided.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H. B. No. 2813-74, H. D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Takamine and Wakatsuki.

SCRep. No. 576-74 Labor and Public Employment on H. B. No. 1951

(1) To provide that officers of the legislature, e.g. the chief clerk, assistant clerk, and sergeant-at-arms, shall be provided the same retirement

benefits as that for judges and elected officers which would be 3.5 per cent of average final compensation for each year of such service.

(2) To provide a retirement benefit for ordinary disability which is comparable to that for service retirement.

(3) To change the method of computing average final compensation for legislators with service from and after November 5, 1968.

(4) To provide that the surviving spouse of a retirement system member who dies in service when he was eligible for service retirement may elect to receive a slightly more general allowance than presently provided under law.

(5) To give public employees the right to purchase prior military service in the state retirement system regardless of whether the employee had been an employee of the State or County prior to his induction into the Armed Forces.

As concerns the first purpose, existing law provides that officers of the legislature are general employees and are entitled to retirement benefits under the regular formula of 2 per cent of average final compensation.

As concerns the second purpose, under existing law, the ordinary disability consists of 25 per cent of average final compensation for service of 10 to 15 years plus 1 per cent for each full year of service over 15. This benefit is low when compared to the benefit for service retirement, consisting of 2 per cent of average final compensation multiplied by the number of years of creditable service. Thus, a person with 20 years of service will receive only 30 per cent of average final compensation as compared to 40 per cent if such a person were able to retire for service below age 55 with less than 25 years of service.

As concerns the fourth purpose, presently, the surviving spouse may elect to receive Option 3 which pays one-half of the monthly benefit a retired employee receives if the retiree dies.

This bill would change the option choice from Option 3 to Option 2, which pays the same monthly benefit to a survivor that the retiree receives while he is alive. This is a more generous benefit and would encourage qualified employees to remain in service and not leave as soon as they are eligible for service retirement.

As concerns the last purpose, this type of bill has in the past been opposed because it would open the door to retired service personnel who, after 20 or 30 years of service in the Armed Forces and who have retired, to enter the State and County and further enhance their retirement by buying the 20 or 30 years of military service at the expense of the State.

This bill, however, would provide limits to the purchase of military credit in the retirement

system. It would provide that any employee of the State or County who has had prior military service before entering the service of the State or County may purchase two years prior military credit in the retirement system after he has served for 15 years in the State or County. After 20 years of service in the State or County, he may purchase up to 3 years. After 25 years of employment with the State or County, he may purchase up to 4 years. Your Committee has been advised that Hawaii is the only State which has not given recognition to its veterans in the form of bonuses.

Your Committee upon consideration of this bill recommends the following amendments:

1. Section 1 of the bill be amended to provide that officers of the legislature be provided the same retirement benefits as that for judges and elected officers.

2. Section 2 of the bill be amended to further provide for the retirement of legislative officers, in the amount of 3-1/2 per cent of average final compensation.

3. Add a section 3 to provide for an increase in the ordinary disability retirement benefit by providing an allowance of 1-3/4 per cent of average final compensation multiplied by the number of years of creditable service but in no event would the benefit be less than 30 per cent of average final compensation.

4. Add a section 4 to provide that the annual compensation for legislators after November 5, 1968, shall be deemed to have been an amount equal to 1-1/2 times the members' last monthly salary times twelve.

5. Add a section 5 to provide that the surviving spouse may elect to receive benefits under Option 2 of the retirement system.

6. Add a section 6 to provide for the purchase of military service credits up to four years for time spent in military service.

7. Add a section 7 to define officers of the legislature.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H. B. No. 1951, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H. B. No. 1951, H. D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Fong and Wakatsuki.

SCRep. No. 577-74 Labor and Public Employment on H. B. No. 1691

The purpose of this bill as amended is to provide the public improved access to information and to further define the rights of the general citizenry to information.

Your Committee has amended this bill to provide a definition of public records, define a person's right to examine and copy public records and to provide for the enforcement of any person's rights to examine and copy public records. The bill as amended also provided for designation of confidential records, and further provides a penalty for continued denial by an office, of a person's rights to examine and copy public records after a court order has been issued directing such examination and copying.

Your Committee is in accord with the intent and purpose of **H. B. No. 1691**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 1691, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wakatsuki.

SCRep. No. 578-74 Transportation on H. B. No. 2793-74

The purpose of this bill is to control political campaign activities along public highways for the protection of both the motoring public and the campaigners themselves. A total ban on such campaign activities, as enacted by this legislature in its 1973 session, has been declared unconstitutional, on the ground that limiting the movable sign restriction to political signs constituted an equal protection infringement. This bill would meet the objections of the District Court to Act 216, Session Laws of Hawaii 1973, by eliminating the limitation that the Court found unconstitutional. Section 291-C-77 (c), in revised form, would not limit signs in terms of content, but would proscribe only the display of movable signs "which seek to draw the attention of occupants of motor vehicles using the highway. . . ."

The overriding demands of motor vehicle and pedestrian safety require that some regulation be enacted to control campaign sign activities. This legislation would accomplish that objective without violating constitutional prohibitions.

Your Committee upon consideration of this bill recommends the following amendments.

1. Elimination of any special provisos for political candidates and their supporters.

2. The prohibition of subsection (c) has been narrowed to include only federally funded highways, and those with a speed limit of thirty-five or more miles per hour.

3. The definition of a "movable sign" is amended to exclude signs placed on motor vehicles.

4. Certain other changes of a technical nature to clarify the language and scope of the bill.

Your Committee on Transportation is in accord with the intent and purpose of **H. B. No. 2793-74**,

as amended herein, and recommends that it pass Second Reading and be placed on the calendar for Third Reading in the form attached hereto as **H. B. No. 2793-74, H. D. 1**.

Signed by all members of the Committee except Representatives Leopold and Suwa.

SCRep. No. 579-74 Transportation on H. B. No. 2691-74

The purpose of this bill is to amend present law relating to implied consent of drivers to blood tests by clarifying section 286-154, Hawaii Revised Statutes. Under the present section, the consent of a person deemed to have given his consent pursuant to section 286-151 shall not be withdrawn by reason of his being dead, unconscious, or in any other state which renders him incapable of consenting to examination, and the blood test may be given. This bill deletes the reference to a person being incapable of "consenting" to examination and replaces it with a reference to a person being incapable of "withdrawing" his consent, since a person is deemed to have already given his consent upon issuance of a driver's license.

Your Committee on Transportation is in accord with the intent and purpose of **H. B. No. 2691-74** and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Leopold and Suwa.

SCRep. No. 580-74 Judiciary and Corrections on H. B. No. 2586-74

The purpose of this bill is to revise court cost schedules that have not been revised since 1957. Your Committee has prepared an amended form of the bill, for reasons noted in this report. References are to the amended bill.

Section 1, 3, 4, and 9 amend sections 91-14, 232-22, 386-88, and 664-8, Hawaii Revised Statutes, relating to appeals to the Supreme Court, so as to make applicable to these appeals a \$30 fee for filing a notice of appeal to the Supreme Court. This fee appears as a new fee in the District Court and Circuit Court cost schedules, sections 6 and 7 of the bill. It takes into consideration the work of preparing the record on appeal. There is no increase in the fee for docketing the appeal in the Supreme Court, which appears in the Supreme Court cost schedule, section 8 of the bill.

Section 2 amends section 92-21, Hawaii Revised Statutes, for purposes of clarification as to the relation between this and other fee schedules contained in the statutes. Your Committee has made one amendment, inserting the words "or authentication" in the item relating to notaries, in furtherance of this purpose.

Section 5 deletes the last sentence of section 607-

1, Hawaii Revised Statutes, so as to include the District Court cost schedule in the powers given the Supreme Court to revise these cost schedules. There is no reason to differentiate between the courts since the enactment of Act 188, Session Laws of Hawaii 1970.

Section 6 amends subsections (a) and (b) of section 607-4, Hawaii Revised Statutes, which relate to the District Court cost schedule. This schedule has not been revised since the District Court became a court of record. Your Committee has amended items (2) and (3); has inserted a new item (9); has revised the next two items; and has added a new item (12), renumbering the last item. The purpose of these amendments is to clarify the application of the fee schedule, and to raise the fee for exemplification from \$1.50 to \$2.00.

Section 7 amends section 607-5, Hawaii Revised Statutes, which relates to the Circuit Court cost schedule. The purpose has been previously stated in this report. Your Committee has deleted items (9), (17), and (18) of the schedule, because they are contingent on the adoption of the Uniform Probate Code. References in this report are to the renumbered items.

Your Committee has revised the explanatory material at the beginning of Part II of the schedule, so that only decedents' estates, guardianships and conservatorships will be excluded from the application of Part II, and not family court cases in general. The Judiciary Department recommends this change. Items (22), (24), (35), (37), (38), and (39) have been revised, and new items (34) and (36) have been inserted for greater clarity, and to raise the fee for exemplification from \$1.50 to \$2.00.

Section 8 amends section 607-6, Hawaii Revised Statutes, relating to the Supreme Court cost schedule. The changes conform to those made in the Circuit Court cost schedule by section 7 of the bill.

Your Committee finds that the revision of the cost schedules provided for in this bill provides for greater clarity and any increases are justifiable.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 2586-74**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 2586-74, H. D. 1**, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 581-74 Judiciary and Corrections on H. B. No. 2900-74

The purpose of this bill is to insure that the highest quality of speech pathology and audiology services are available to the people of the State by providing for regulation of speech pathologists and audiologists.

The bill provides for creation of a State board of

speech pathology and audiology to regulate and license speech pathologist and audiologists.

Upon consideration of this bill, your Committee recommends the following amendments to the bill as originally drafted:

1. Provide for a board of 7 members to be selected by the Governor. Two members to be speech pathologists, two members to be audiologists, and three members to be public members, with one public member a physician specializing in otolaryngology. The bill as drafted provided for a six member board selected by the Governor from a list of names provided by the Hawaii Speech and Hearing Association. The board was enlarged to seven members to prevent deadlocks and a physician was added to provide additional expertise. The provision requiring the Governor to select members from a list provided by the Hawaii Speech and Hearing Association was deleted because your Committee feels it unwise to unduly restrict the Governor in his appointments to boards and commissions.

2. Delete the provisions in the bill as originally drafted setting up a separate fund into which all fees and other monies received by the board would be deposited. Your Committee is of the opinion that the finances of the board should be handled in the same manner as other boards and commission, and that all receipts should be deposited in the general fund.

3. Amend the provision of the bill allowing a person certified by ASHA or licensed by another jurisdiction as a speech pathologist or audiologist who has applied for a State license to perform speech pathology or audiology services prior to determination by the board that he has successfully completed examination. As amended, this provision would limit such persons to practice without being licensed for no more than 90 days after application has been made for a license. This 90 day period should allow sufficient time for the board to make a determination as to whether the person should be licensed.

4. Delete the provision in the original bill waiving examination and granting a license to any person certified as clinically competent by ASHA.

5. Numerous technical, style, and language changes have been made to the bill to effectuate its intent and purpose.

Your Committee finds that the public interest requires regulation of speech pathologists and audiologists as provided for in this bill.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 2900-74**, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as **H. B. No. 2900-74, H. D. 1**.

Signed by all members of the Committee except

Representative Wedemeyer.

SCRep. No. 582-74 Agriculture on H. B. No. 2786-74

The purpose of this bill is to encourage agriculture in the State of Hawaii.

Your Committee finds that there is a need to encourage the agriculture industry in Hawaii by providing the financial support necessary to implement programs and projects which are necessary for the maintenance and improvement of the agriculture industry.

Your Committee has made the following amendments to the bill: (a) a section providing an appropriation of \$5,000,000 out of the general revenues of the State of Hawaii, to be expended by the department of agriculture for the purpose of establishing statewide feed and grain storage facilities which shall be leased to private industry has been included; (b) a section providing an appropriation of \$300,000 out of the general revenues of the State of Hawaii, to be expended by the department of land and natural resources for the purpose of developing water sources for agriculture has been included; and (c) a section providing an appropriation of \$3,000,000 out of the general obligation bond fund of the State of Hawaii, to be expended by the department of agriculture for the purpose of developing agricultural parks on a statewide basis has been included.

Your Committee has provided, with respect to the appropriation for agricultural parks, that the size of the proposed agricultural park in Kunia be limited to no more than 600 acres and to prevent the acquisition of land for the agricultural park from lands cultivated in pineapple. Your Committee believes that the pineapple industry is presently being revitalized as a result of the marketing of fresh pineapple on the mainland and to remove land from this industry at this particular time is not in the best interests of agriculture and of the State of Hawaii. Instead, your Committee strongly recommends that lands presently planted in sugarcane, adjacent to the pineapple land in Kunia, be utilized as the site for an agricultural park.

Your Committee on Agriculture is in accord with the intent and purpose of **H. B. No. 2786-74** as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 2786-74, H. D. 1**, and be referred to your Committee on Finance.

Signed by all members of the Committee except Representative Roehrig.

SCRep. No. 583-74 Agriculture on H. B. No. 2698-74

The purpose of this bill is to reduce the general excise tax on certain farm supplies and in particular on any business selling fertilizer, fungicide,

herbicide, or pesticide for agricultural purposes from four per cent to one and one-half per cent and further to exempt from the general excise tax amounts received by producers engaging in the business of raising and producing agricultural, animal, or poultry products in their natural state and related activities.

Your Committee upon consideration of this bill recommends the following amendments:

(1) Amending section 1 of the bill by reducing the tax from four per cent to one-half of one per cent to limit the application to wholesale businesses and to add agricultural chemicals and fumigants to the products on which the reduced tax shall apply.

(2) By deleting section 2 of the bill exempting producers engaging in the business of raising and producing agricultural, animal, or poultry products in their natural state and related activities.

(3) By renumbering sections 3 and 4 of the bill as sections 2 and 3.

Your Committee on Agriculture is in accord with the intent and purpose of **H. B. No. 2698-74**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 2698-74, H. D. 1**, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Roehrig.

SCRep. No. 584-74 Water, Land Use and Development on H. B. No. 3097-74

The purpose of this bill is the creation of a state natural energy laboratory to be located on state-owned land makai of the Keauhole Airport on the island of Hawaii. The bill also establishes a mechanism for providing direction and management of the laboratory and provides initial funds to be matched by the County of Hawaii for organization of the laboratory.

Your Committee is aware of the fact that natural energy will be a world requirement in the very near future and that the federal government has shown concern and interest in the development of natural energy of all forms.

The laboratory will enable the state to participate in national research and development programs in natural energy.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **H. B. No. 3097-74** and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Iha, Roehrig and Wedemeyer.

SCRep. No. 585-74 (Majority) Water, Land Use and Development on H. B. No. 2834-74

The purpose of this bill is to provide for judicial review of actions taken by the Land Use Commission in adopting or amending district boundaries or its regulations.

Presently, the Land Use Law, Chapter 205, Hawaii Revised Statutes, does not provide for judicial review of Land Use Commission actions except in the case of denials of special permits.

This has created an ambiguity as to (1) whether land use boundary amendments and regulations may be reviewed by the courts; and (2) if so, the manner in which such judicial review can be obtained.

The Hawaii Administrative Procedure Act, Chapter 91, Hawaii Revised Statutes, provides two methods of judicial review of agency actions. Section 91-7 provides for declaratory judgments as to validity of agency rules adopted in the exercise of quasi-legislative functions. Section 91-14 provides for judicial review of contested cases which are quasi-judicial proceedings. It is uncertain, however, if either of these provisions applies to land use boundary amendments and regulations since the procedure specified for the latter by the Land Use Law (sections 205-4 and 205-7) is unlike both normal rule-making proceedings and contested case proceedings treated in the Administrative Procedure Act.

This bill makes it clear that land use boundary changes may be reviewed by the courts. It does this by placing a provision similar to section 91-7 in the Land Use Law. Land use boundary amendments and regulations are traditionally legislative in nature since they involve the interests of the entire community. It is therefore appropriate that they be reviewed in the same manner as other quasi-legislative acts by agencies.

The bill also makes it clear that land use boundary amendments are to be invalidated if procedures set forth in the Land Use Law rather than those of the Administrative Procedure Act are not followed. As stated, the procedures of Chapter 205 for the adoption of boundary amendments and regulations are different than and inconsistent with normal rule-making procedures.

In addition, the bill protects uses undertaken in good faith reliance on an invalidated boundary and provides a statute of limitations within which boundary amendments must be challenged. Invalidation of long-standing boundaries which may have been relied on by many people will not be in the public interest.

Except as expressly provided, there is no intent to exempt the Land Use Commission from the Administrative Procedure Act.

Your Committee has amended the bill in the

following respects:

(1) The class of those persons having standing to obtain a judicial declaration under the bill has been changed from "any interested person" to "any aggrieved person" as the term is used in section 91-14 of the Administrative Procedure Act. "Any interested person" suggests too broad a definition which would include those with minimal and remote interests whereas "any aggrieved person" requires that the person must be adversely affected by the act of the commission.

(2) As it is intended that the judicial relief of the general declaratory judgment provisions in chapter 632 is not an alternative relief for land use commission action in the adoption or amendment of any district boundary or regulation, a new provision was added to the bill to state that the judicial relief of chapter 632 shall not apply.

(3) The time within which an aggrieved person may initiate proceedings to challenge commission action has been reduced from one year to 30 days. Your Committee believes that a 30-day period, as provided in section 91-14(b) of the Administrative Procedure Act is sufficient time to allow prospective appellants to decide whether to appeal and to perfect their appeal.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of H. B. No. 2834-74, as amended herein and recommends that it pass Second Reading in the form attached hereto as H. B. No. 2834-74, H. D. 1 and be referred to your Committee on Judiciary and Corrections.

Signed by all members of the Committee except Representatives Iha, Roehrig and Wedemeyer.

Representative King did not concur.

SCRep. No. 586-74 (Majority) Judiciary and Corrections on H. B. No. 3090-74

In 1973, the Legislature passed Act 185 designed to limit and provide for the disclosure of campaign contributions and expenditures. Since its passage and approval and its recent effective date, Act 185 has come under close scrutiny which has revealed that, although the basic aims and structure of the Act are sound, the Act is in need of numerous and various clarifying and corrective amendments.

In this regard, your Committee has been aided by the constructive suggestions and comments of the Campaign Spending Commission, the Lieutenant Governor's Office, and the Attorney General's Office.

Among the many changes in Act 185 which the bill as amended makes are the following:

1. **Definitions.** The definitions of various key terms have been revised to provide greater clarity. Also, the definition of the word "office" is changed to exclude the federal offices of president, vice-

president, senator, and representative, which are governed by federal law.

2. Confidentiality of investigations. Section 11-193, has been amended to provide that investigations by the Campaign Spending Commission are confidential unless and until the Attorney General or the appropriate Prosecuting Attorney for prosecution determines that a violation of Subpart B has occurred.

3. Spending exemptions. Section 11-203 has been amended to exclude as expenditures, for purposes of this Act's spending limits, the costs of postage in connection with ticket sales for testimonial affairs and low-cost fund raising events. A new Section 11-203.1 has been added to provide that the cost of items purchased for resale, such as huli-huli chicken or other food items, for political fund raising purposes, shall not be considered as expenditures for purposes of the spending limits. Similarly, under a new Section 11-203.2, the cost of food and incidentals necessary for a social affair for the benefit of a candidate (such as a coffee hour) are not considered as campaign expenditures under the Act.

4. Authorized maximum expenditure for House of Representative primary election. Section 11-208 has been amended to provide that a candidate for a seat in the state house of representatives may spend \$2,000 in the primary election notwithstanding the fact that the general formula applicable for determining the spending limit may result in a lower figure. In providing for this amendment, your Committee has considered the fact that many representative districts in rural and semi-rural areas cover a large geographical area with a relatively small total population.

5. Mass-media spending restrictions eliminated. Act 185, in addition to limiting the total amount of authorized campaign spending, regulated the amount which could be spent in the primary, general, and special elections on mass-media advertising. Your Committee believes that the basic principal of Act 185 is disclosure, not regulation, and that, within the overall spending limitation, the candidate, committee, or party ought to be free to choose the manner in which to spend campaign funds. Accordingly, provisions to the contrary have been deleted from Section 11-206.

6. New provisions governing allocation of expenditures, effective date of expenditures, and changes in the authorized limits. The bill clears up difficulty in several areas by adding new subsections (b) and (c) of Section 11-206. The bill provides that generally an expenditure is deemed made when the product is delivered or service is rendered. Therefore, expenditures prior to the applicable period are not within the overall spending limitations. However, a single expenditure for a product or a service actually used during more than one period may be allocated between the periods involved. Services rendered or products delivered prior to, but for use during, an

applicable statutory campaign period shall be deemed expenditures of the period or periods of actual use. This is of particular importance in the preparation of mass-media materials (such as television films and material) which may be bought, prepared, and paid for months before actual use. Finally, all expenditure limits have been automatically tied to fluctuations in the Federal Consumer Price Index so as to provide realistic limits notwithstanding fluctuations in the dollar's purchasing power.

7. Exemption for communications between elected official and constituents. A new section 11-213 has been added to provide that the costs of communications by an elected official with his constituents shall be exempt from Chapter 11, Part XII, subpart B, so long as the communications are not paid out by campaign funds or connected with a re-election efforts.

8. Language and technical clarifications. The bill in its original form and as amended by your Committee contains numerous language and technical clarifications designed to effectuate the legislative purpose of Act 185.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **H. B. No. 3090-74**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **H. B. No. 3090-74, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

Representatives Cobb and Wong did not concur.

SCRep. No. 587-74 Legislative Management

Informing the House that Standing Committee Report Nos. 480-74 to 586-74, have been printed and distributed.

Signed by all members of the Committee.

SCRep. No. 588-74 Higher Education on **H. B. No. 1378**

In appropriating funds to certain programs in higher education, your Committee realizes the impact that the present financial condition has had on the University of Hawaii system. As a result, your Committee set the following guiding principles by which it made its recommendations:

1. To insure the immediate health and safety of students and the general public.
2. Continued open access to public higher education for all seeking admission to the university system.
3. Selective excellence in those research programs which are natural and indigenous to the State of Hawaii.

A summary of some of these programs, legislative concerns, and legislative intent follows:

INCREASE SECURITY AT THE UNIVERSITY OF HAWAII, MANOA

Your Committee heard testimonies from students who have been victims of physical and psychological harassment that has been possible because of the absence of an adequate security force. The number of security guards available for duty at the University of Manoa decreased from 15 to 10 as of July 1, 1973. Of those ten, six are temporary positions, funded by the Public Employment Program (PEP) of the Federal Government.

Your Committee feels that any security force that is less than adequate jeopardizes the physical and psychological welfare of students who need safe access to resources and facilities with the University of Hawaii.

Your Committee is providing an appropriation of \$101,000 for the purpose of hiring five additional security guards for the University of Hawaii Manoa Campus, and for picking up the salaries of the six existing security personnel whose federally funded salaries will lapse on June 30, 1974.

STUDENTS GRANTS

Many residents of the State of Hawaii have been unable to take advantage of the educational programs offered by the University of Hawaii because they and/or their families were unable to forego the earnings which would be unavailable to them if they were full-time students. The problem of foregone earnings has worked a particular hardship on worthy potential students whose earnings meant the difference between poverty subsistence and reasonable level of living for their spouse, children or parents. It is the intent of the state grant program to provide cash grants to replace, in part, the earnings which a student would forego by enrolling as a full-time student. It is the opinion of your Committee that grants awarded to individual students under this program should be no less than \$1,500 per regular school year and no greater than \$3,300 per school year. Between 50 and 110 students would be assisted annually. These cash grants shall be in addition to any other State provided assistance the student receives, such as state scholarships, tuition waivers or our State Higher Education Loans. The Board of Regents is directed to establish the necessary rules and regulations to select worthy and needy recipients of these awards.

Your Committee also understands that such monies will provide the State with the capacity for matching expected federal funds in the near future.

RESEARCH AND DEVELOPMENT FOR PHILIPPINES STUDIES PROGRAM

Your Committee feels that a Philippine Studies Program at the University of Hawaii is one of the areas for selective excellence at the University, for the following reasons:

1. Filipinos in the State comprise over 12% of the total population. These residents would have a special interest in finding out more about their county of origin or that of their ancestor's.

2. The faculty at University of Hawaii is exceptionally qualified to have such a program. Existing curriculum and faculty expertise in various departments show a range and quality that will make the program nationally and internationally well-known, (e.g., Political Science, History, Indo-Pacific, Languages, Linguistics, Music, Anthropology, Asian Studies, Psychology).

3. Eventually, some payoffs to secondary and elementary social studies curriculum will be accomplished. There is a need to utilize the history and current efforts of the home country of various ethnic minorities to understand and enjoy poly-ethnicity in Hawaii.

Your Committee has heard favorable testimony from the University Administration, the University faculty, students, and the community at large expressing their desire for funding the research and development for a Filipino Studies Program at the University of Hawaii. Funds are provided for the University to prepare an analysis in the programming-planning-budgeting format of the program.

Without funding, the University could not attempt an analysis of the Filipino Studies program employing the programming-planning-budgeting approach because of unavailable staff and lack of data for a meaningful analysis. Some of the tasks had to be done includes the continuation of teaching, research, the development of new courses, interaction among faculty from different disciplines, correspondence with Philippine Universities and Philippine Studies Centers on the mainland, and interaction with the local community.

SEA GRANT PROGRAM

Hawaii's unique location in the Pacific Ocean makes it inevitable that the University of Hawaii be one of the leading institutions in the ocean sciences. This status has been confirmed by the Federal Government in the designation of the University of Hawaii as one of the six Sea Grant Colleges.

Federal Sea Grant funds must be matched on the local or state level on the basis of one matching dollar for every two Federal Sea Grant dollars. During the current Sea Grant year, federal funding for Sea Grant at the University of Hawaii was approximately \$1.1 million.

The Sea Grant Program needs \$260,000 local matching funds. It is your Committee's understanding that funds will be forthcoming from anticipated appropriations from the Marine Affairs Co-ordinator. Thus your committee is appropriating \$120,000 for fiscal year 1974-75.

Your Committee also understands that \$40,000 will go to fund two positions for a needed information specialist and a Marine resource specialist.

PLANNING AND DEVELOPING A CURRICULUM OF STUDY FOR LEGAL

New concepts in the right to counsel in civil and criminal cases and the increase complexity and urbanization of our society has created a greater demand for legal services.

Your Committee finds that the high cost of legal services and inefficient methods of training law office personnel make legal services relatively unavailable to the poor and even the middle class.

Your Committee feels that a solution to the critical problem of providing legal assistance is a trained cadre of legal professionals.

At the present time, attorneys and legal offices are using legal secretaries and non-attorney personnel to prepare divorce complaints, memorandums and other services that are traditionally done by legal counselors.

Your Committee is providing \$35,000 for the development of the curriculum of a legal professional program.

CONTINUING EDUCATION FOR WOMEN

Your Committee has received many testimonies from the University community, students, and community who favor the development of academic, vocational counseling, planning and programming for the special needs of women. Since Hawaii has the highest percentage of working women in the nation: 49%, CEW must accommodate more women who come for its services. The majority of these women are heads of households, welfare recipients, and numerous individuals who desire additional training or education. However, at the present time, CEW cannot service this influx of additional women because of staff and budget limitations.

Your Committee finds that for three years after its inception in 1968, CEW was financed by federal Title I grants which were stretched beyond that period. Since that time, the College has allotted very modest sums for operational support. There is only one professional staff position, and because demand on services have increased so markedly in the past two to three years, the college has been falling behind and having to give up needed services. There is a critical need for support and staff in order to help women develop through this college of Continuing Education For Women.

Thus, your Committee is appropriating \$50,000 for this program.

VOCATIONAL COUNSELOR FOR HAWAII COMMUNITY COLLEGE

Your Committee finds that the Hawaii Community College, operating under the aegis of the University of Hawaii at Hilo, has undergone a number of administrative changes that have included the reassignment of Student Services personnel. This change has eliminated one full-time position counselor on Hilo campus and reorganized the Student Services personnel to serve Hawaii Community College students on a rotation basis, i.e., five specialists visit the Hawaii Community College campus one day per week.

The development of a strong vocational counseling program on the Hawaii Community College campus is of vital concern to the 1,300 students who seek this type of counseling aid. Your committee finds that one vocational education counselor would suffice for the students who desire their aid.

Your Committee is providing \$12,000 for a vocational counselor at Hawaii Community College.

Your Committee on Higher Education is in accord with the intent and purpose of H. B. No. 1378, H. D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Iha.

SCRep. No. 589-74 (Majority) Judiciary and Corrections on H. B. No. 3090-74

In 1973, the Legislature passed Act 185 designed to limit and provide for the disclosure of campaign contributions and expenditures. Since its passage and approval and its recent effective date, Act 185 has come under close scrutiny which has revealed that, although the basic aims and structure of the Act are sound, the Act is in need of numerous and various clarifying and corrective amendments.

In this regard, your Committee has been aided by the constructive suggestions and comments of the Campaign Spending Commission, the Lieutenant Governor's Office, and the Attorney General's Office.

Among the many changes to Act 185 which the bill as amended makes are the following:

1. **Definitions.** The definitions of various key terms have been revised to provide greater clarity. Also, the definition of the word "office" is changed to exclude the federal offices of president, vice-president, senator, and representative, which are governed by federal law.

2. **Confidentiality of investigations.** Section 11-

193, has been amended to provide that investigations by the Campaign Spending Commission are confidential unless and until the Attorney General or the appropriate Prosecuting Attorney for prosecution determines that a violation of Subpart B has occurred.

3. Spending exemptions. Section 11-203 has been amended to exclude as expenditures, for purposes of this Act's spending limits, the costs of postage in connection with ticket sales for testimonial affairs and low-cost fund raising events. A new Section 11-203.1 has been added to provide that the cost of items purchased for resale, such as huli-huli chicken or other food items, for political fund raising purposes, shall not be considered as expenditures for purposes of the spending limits.

A new Section 11-203.2 has been added at the request of the Campaign Spending Commission. The purpose of this section is to provide that the expenses of small "coffee hours" and small social affairs not be included in determining overall spending limits. However, in adopting the language proposed by the Commission, we are aware of the fact that unless the language of the section is supplemented by well-drafted rules and regulations of the Commission, the section could become a major loophole which would vitiate the purposes of the entire Act.

Accordingly, the Commission is directed to promulgate and adopt, pursuant to Section 11-191(b) and Chapter 91, H. R. S., rules and regulations which insure that Section 203.2 applies only to small "coffee hours" and other small social affairs, and not to large costly social gatherings. The Commission, by rules and regulations, should limit the size of the exempt social gatherings to no more than 100 people and the place of the gathering to private homes and community social halls. By its rules and regulations, the Commission should implement Section 203.2 in a manner which promotes, rather than violates, the expense limitation intention and public disclosure purpose of the bill.

4. Authorized maximum expenditure for House of Representative elections. Section 11-208 has been amended to provide that a candidate for a seat in the state house of representatives may spend \$2,000 in the primary and general elections notwithstanding the fact that the formula applicable for determining the spending limit may result in a lower figure. In providing for this amendment, your Committee has considered the fact that many representative districts in rural and semi-rural areas cover a large geographic area with a relatively small total population.

5. Mass-media spending restrictions eliminated. Act 185, in addition to limiting the total amount of authorized campaign spending, regulated the amount which could be spent in the primary, general, and special elections on mass-media advertising. Your Committee believes that the basic principal of Act 185 is disclosure, not regulation,

and that, within the overall spending limitation, the candidate, committee, or party ought to be free to choose the manner in which to spend campaign funds. Accordingly, provisions to the contrary have been deleted from Section 11-206.

6. New provisions governing allocation of expenditures, effective date of expenditures, and changes in the authorized limits. The bill clears up difficulty in several areas by adding new subsections (b) and (c) of Section 11-206. The bill provides that generally an expenditure is deemed made when the product is delivered or service is rendered. Therefore, for example, expenditures prior to January 1 of the election year are not within the overall spending limitations. Moreover, an expenditure during the primary campaign would not be included in the general election spending limit. However, a single expenditure for a product or a service actually used during more than one period may be allocated. For example, an expenditure made for a product used during both the primary and general election campaigns could be allocated between the two campaigns. Services rendered or products delivered prior to, but for use during, the primary or general election campaigns shall be deemed expenditures of the period when the service or product is actually used. This is of particular importance in the preparation of mass-media materials (such as television films and material) which may be bought, prepared, and paid for months before actual use. Finally, all expenditure limits have been automatically tied to fluctuations in the Federal Consumer Price Index so as to provide realistic limits notwithstanding fluctuations in the dollar's purchasing power.

7. Exemption for communications between elected official and constituents. A new Section 11-213 has been added to provide that the costs of communications by an elected official with his constituents shall be exempt from Chapter 11, Part XII, Subpart B, so long as the communications are not paid out by campaign funds or connected with a re-election efforts.

8. Language and technical clarifications. The bill in its original form and as amended by your Committee contains numerous language and technical clarifications designed to effectuate the legislative purpose of Act 185.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of H. B. No. 3090-74, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H. B. No. 3090-74, H. D. 1, and that it be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

Representative Wong did not concur.

SCRep. No. 590-74 Legislative Management

Informing the House that Standing Committee Report Nos. 588-74 to 605-74 and Special Com-

mittee Report No. 8, Re: House Resolution No. 140, have been printed and distributed.

Signed by all members of the Committee except Representative Suwa.

SCRep. No. 591-74 Water, Land Use and Development on H. R. No. 327

The purpose of this House Resolution is to have the Department of Land and Natural Resources and the Hawaii County Planning Department survey the feasibility of restoring and preserving sites along the Hamakua Coast for development in an integrated park plan to include historical sites.

Your Committee finds that this plan is particularly timely because of the importance of plantation communities in Hawaii's history and the need to preserve this way of life before it fades or changes under the present rapid transition of the industry itself and urban centralization trends.

Your Committee on Water, Land Use and Development concurs with the intent and purpose of H. R. No. 327 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 592-74 Water, Land Use and Development on H. R. No. 437

The purpose of this resolution is to direct the Department of Land and Natural Resources to develop an underwater trail system at Hanauma Bay which is to include distinctive trail markers, and to provide for identification of fish and other marine life.

Your Committee on Water, Land Use and Development concurs with the intent and purpose of H. R. No. 437 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 593-74 Education on H. R. 417

The purpose of this Resolution is to request the Legislative Reference Bureau to study the Department of Education proposal to hire adults for the purpose of directing traffic before and after the regular school day.

Your Committee on Education concurs with the intent and purpose of H. R. No. 417 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 594-74 Education on H. R. No. 128

The purpose of this resolution is to request the Department of Education to study the feasibility of a school caretaker program. This study would allow families to live on school property in the

same manner as programs which have been instituted in Elk Grove, California, with the idea that their presence on the property will deter vandals.

Your Committee on Education concurs with the intent and purpose of H. R. No. 128 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 595-74 Housing on H. R. No. 246

The purpose of this Resolution is to have the Hawaii Housing Authority investigate the legal and administrative possibilities that are available if the State is unable to financially acquire leasehold lands under Act 307 and if private citizens in a residential tract can obtain sufficient private financing to acquire the land.

Your Committee on Housing concurs with the intent and purpose of H. R. No. 246, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H. R. No. 246, H. D. 1.

Signed by all members of the Committee except Representative Poepoe.

SCRep. No. 596-74 Water, Land Use and Development on H. R. No. 359

The purpose of this resolution is to ask the radio and television broadcasting companies of the State to perform a public service by donating broadcasting time to further energy conservation practices and to promote mass transit, car pools and curtailment of unnecessary driving.

Your Committee on Water, Land Use and Development concurs with the intent and purpose of H. R. No. 359 and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 597-74 Water, Land Use and Development on H. C. R. No. 62

The purpose of this concurrent resolution as amended is to request the Department of Land and Natural Resources to expedite the development of the master plan for the Makiki Tantalus State Park complex and to provide an opportunity for citizen participation in development of said master plan.

Your Committee believes that opportunities should be provided for citizen participation in the planning phase rather than after plans have been approved and development is in progress. Accordingly, your Committee has amended this concurrent resolution to so provide.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of H. C. R. No. 62, as amended herein,

and recommends its adoption in the form attached hereto as **H. C. R. No. 62, H. D. 1.**

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 598-74 Water, Land Use and Development on **H. C. R. No. 54**

The purpose of this Concurrent Resolution is to recognize and preserve as an entity the promontory of Kalaupapa which has had a role of great significance in the history of Hawaii and which still has many archaeological and historic remains related to that history.

Your Committee heard testimony that the peninsula tells the story of man's compassion for man, a story that is desperately needed in the life of every man. The sufferings of the many Hawaiians that were exiled there and the symbol the settlement became throughout the world in connection with the life of Father Damien, make Kalaupapa worthy of such preservation.

Your Committee on Water, Land Use and Development concurs with the intent and purpose of **H. C. R. No. 54** and recommends its adoption.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 599-74 Water, Land Use and Development on **S. C. R. No. 1**

The purpose of this Senate Concurrent Resolution is to request the President of the United States to release federal funds for the necessary research to develop diversified and alternate sources of energy, particularly geothermal energy.

Testimony presented to the Committee stressed the important role geothermal energy could play as an alternate source in the future.

Although geothermal energy has been successfully used for over 70 years, much research is required to exploit the full potential of this low-polluting natural energy source. And **Senate Concurrent Resolution No. 1** would help to increase the awareness of the appropriate federal officials on the potential of geothermal resources.

Your Committee on Water, Land Use and Development concurs with the intent and purpose of **S. C. R. No. 1** and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 600-74 (Majority) Education on **H. R. No. 442**

The purpose of this Resolution is to request the Legislative Reference Bureau to conduct a feasibility study concerning a year-round school program.

The primary factors to be considered in such a study would be:

1. The educational value of a year-round program to the individual.

2. The social impact of modifications to the traditional summer vacation months and other out-of-school periods in the community.

3. The effect on C. I. P. budget planning considering the maximum utilization of physical resources of the public school system.

Your Committee on Education concurs with the intent and purpose of **H. R. No. 442** and recommends its adoption.

Signed by all members of the Committee.

Representative Kawakami did not concur.

SCRep. No. 601-74 Federal-State-County on **H. R. No. 390**

The purpose of this resolution, as amended, is to request the various counties of the State to provide free bus passes to veterans who are totally disabled.

Your Committee has amended this resolution by requesting all counties, and not just the City and County of Honolulu, to provide free bus passes to totally disabled veterans. Your Committee has also deleted some surplus language of this resolution.

Your Committee on Federal, State and County Relations concurs with the intent and purpose of **H. R. No. 390**, as amended herein, and recommends its adoption in the form attached hereto as **H. R. No. 390, H. D. 1.**

Signed by all members of the Committee.

SCRep. No. 602-74 Environmental Protection on **H. R. No. 66**

The purpose of this Resolution is to request the counties of the State to develop specific incentives for automobile owners to turn in derelict autos at designated locations and avoid abandonment.

Derelict autos are a major problem in the State. They create a conspicuous and unsightly source of solid waste pollution.

Most of these automobiles are abandoned because they are no longer serviceable and have little or no parts value to auto wreckers. Any attempt to solve the problem of abandoned cars must consider the problems of fluctuating scrap demand, steel production, technology, transportation rates for scrap, export scrap markets, availability of shredding equipment, and characteristics of the auto parts market.

Your Committee feels that an incentive should be provided for owners to turn in vehicles at specific locations. This might be a nominal monetary incentive or some other specific incen-

tive developed by the counties.

Your Committee on Environmental Protection concurs with the intent and purpose of H. R. No. 66 and recommends its adoption.

Signed by all members of the Committee except Representative Carroll.

SCRep. No. 603-74 Water, Land Use and Development on H. R. No. 55

SCRep. No. 604-74 Legislative Management on Data Supplied by Printshop

The purpose of this resolution is to request the department of land and natural resources to develop a statewide inventory of all State lands for the purpose of evaluating the efficient utilization of all lands. Such an inventory is necessary for proper land use and management.

Your Committee on Water, Land Use and Development concurs with the intent and purpose of H. R. No. 55 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Wedemeyer.

**PRINTSHOP PRINTED MATTERS
TO WEEK ENDING MARCH 30, 1974**

PRINTED ITEM	NO. OF PRINTED ITEMS		NUMBER OF PAGES	
	CURRENT	TO DATE	CURRENT	TO DATE
House Bills	—0—	1072	—0—	5443
House Resolutions	10	439	23	936
House Concurrent Resolutions	1	72	2	174
Standing Committee Reports	118	391	379	1673
Special Committee Reports	—0—	6	—0—	59
Floor Amendments	—0—	5	—0—	13
OTHERS:				
Appendix			—0—	7
Certifications			—0—	39
House Rules			—0—	47
Reprints of House Measures			264	3231
Status of Bills			424	3325
Summaries			—0—	8
Miscellaneous			20	291
TOTALS	129	1,985	1,112	15,246

**PRINTSHOP MATERIALS COST REPORT
TO WEEK ENDING MARCH 30, 1974**

ITEMS	SUPPLIES USED		ITEM COST	AMOUNT	
	CURR. WK.	TO DATE		CURR. WK.	TO DATE
Paper, Bond 8½ × 11-16#	(Reams)	(Reams)			
White "	384	7740	\$ 1.54	\$ 591.36	\$11,919.60
Blue "	13	125	1.58	20.54	197.50
Buff "	14	80	1.58	22.12	126.40
Canary "	200	837	1.58	316.00	1,322.46
Green "	161	914	1.58	254.38	1,444.12
Pink "	23	178	1.58	36.34	281.24
Goldenrod "	—0—	10	1.58	—0—	15.80
White 8½ × 14-16#	7	7	1.62	11.34	11.34
Canary "	10	10	1.67	16.70	16.70
	812	9901			
Masters (100 in pkg.)	2,000	24,500	5.25	105.00	1,286.25
Toner (¼#)	1	24	5.75	5.75	138.00
Blanket, Multilith 10 × 15	—0—	4	6.05	—0—	24.20
10 × 18	—0—	7	10.73	—0—	75.11
Cover, Mollenton (2 in pkg.)	—0—	10	7.35	—0—	73.50
Ink (lbs)	5	82½	1.55	7.75	127.88
Mix, Developer (jar)	1	5	11.80	11.80	59.00
Pads, Cotton	6	82	1.81	10.86	148.42
Sheets, Blanket Cleaner (50 in pkg.)	1	22	2.66	2.66	58.52

ITEMS	SUPPLIES USED		ITEM COST	AMOUNT	
	CURR. WK.	TO DATE		CURR. WK.	TO DATE
Solutions:	(Reams)	(Reams)			
Electrostatic (gal)	4	56	10.70	42.80	599.20
Blankrola (5 gal)	1	11½	17.60	17.60	202.40
Deglazer (1 pt.)	—0—	15	3.00	—0—	45.00
Water, Distilled (5 gal)	—0—	12	2.00	—0—	24.00
TOTALS				\$1,473.00	\$18,196.64
Plus 4% Hawaii Tax				58.92	727.87
TOTALS				<u>\$1,531.92</u>	<u>\$18,924.51</u>

Signed by all members of the Committee.

SCRep. No. 605-74 Legislative Management
Submitting Monthly Expenditure Report

APPROPRIATION

ACT 1, SLH 1974	\$ 995,000.00
ACT 1, SLH 1974 Sec & (d)	<u>154,034.77</u>
TOTAL	\$1,149,034.77

EXPENDITURES

	MONTHLY			
	ANNUAL	BUDGETED	ACTUAL	TOTAL
Pay of Employees - Session	\$ 592,959.68	\$203,853.44	\$167,863.20	\$466,797.38
Pay of Regular Employees	250,265.09	22,113.00	19,741.00	48,830.14
Annual Allowance	38,250.00	—0.0—	—0.0—	38,250.00
Per Diem: Intra-State (Session)	22,360.00	8,060.00	7,190.00	19,440.00
Intra-State	23,000.00	—0.0—	—0.0—	—0.0—
Out-of-State	10,000.00	—0.0—	—0.0—	—0.0—
Travel: Intra-State (Session)	2,500.00	1,000.00	14.87	384.04
Intra-State	14,250.00	—0.0—	—0.0—	—0.0—
Out-of-State	18,000.00	—0.0—	—0.0—	—0.0—
Stationery, Office Supplies, etc.	41,000.00	8,500.00	3,409.48	6,722.09
Communications	31,200.00	2,000.00	7,013.74	7,046.71
Delivery and Hauling	550.00	—0.0—	—0.0—	643.41
Rentals - Equipment	42,600.00	9,750.00	10,645.88	15,047.00
Repairs - Equipment	17,300.00	2,250.00	16.07	573.61
Office Equipment & Furniture	1,550.00	150.00	36.30	36.30
Miscellaneous	4,150.00	150.00	6.00	1,861.64
Printing of Journal	36,000.00	—0.0—	—0.0—	—0.0—
Contingency Fund	3,100.00	150.00	70.30	149.65
TOTALS	<u>\$1,149,034.77</u>	<u>\$257,976.44</u>	<u>\$216,006.84</u>	<u>\$ 543,252.80</u>

BALANCE - April 1, 1974

RESERVES: Printing of Journal	\$36,000.00
Payroll Withholding	12,361.80
Contingency Fund	14,850.35
	<u>\$63,212.15</u>

Signed by all members of the Committee.

SCRep. No. 606-74 Legislative Management

Informing the House that House Resolution Nos. 463 to 466, and Standing Committee Report Nos. 607-74 to 625-74, have been printed and distributed.

Signed by all members of the Committee except Representative Suwa.

SCRep. No. 607-74 Higher Education on H. R.

No. 370

The purpose of this House Resolution is to request the University of Hawaii to establish child care centers on all campuses of its system.

Your Committee finds that there already exists qualified personnel to service the child care centers in the university system. The need for these centers stems from the fact that since there are more women who remain at the university after marriage and birth of their children, this would be a

necessary service for mothers who are in school and who must seek other services for the care of their children. It would also serve as an avenue by which the University can develop a child care education program in preparation for the future development and expansion of child care services in the community at large, including an educational curriculum responding to the needs of the parent and child.

Your committee on Higher Education concurs with the intent and purpose of **H. R. No. 370** and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Iha and Roehrig.

SCRep. No. 608-74 Higher Education on H. R. No. 408

The purpose of this House Resolution is to request the University of Hawaii to keep the 4.5 acre lot between Frear Hall (an all-girl University dormitory on lower campus) and Kanewai Field as open space land; and to give the University of Hawaii higher priority to the construction of recreational facilities before the construction of the proposed multi-decked parking and additional housing facilities.

Your Committee finds that more recreational facilities are needed for students residing on Manoa campus. This is due to the fact that there is presently only one existing recreational facility — Kanewai Field — being used by approximately 2,000 University students who reside in the lower campus dormitories at the University of Hawaii. This, in turn, has caused the surrounding community to compete with the university community for the use of Kanewai Field.

Your Committee on Higher Education concurs with the intent and purpose of **H. R. No. 408** and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Iha.

SCRep. No. 609-74 Higher Education on H. C. R. No. 64

The purpose of this House Concurrent Resolution is to request the University of Hawaii to keep the 4.5 acre lot between Frear Hall (an all-girl University dormitory on lower campus) and Kanewai Field as open space land; and to give the University of Hawaii higher priority to the construction of recreational facilities before the construction of the proposed multi-decked parking and additional housing facilities.

Your Committee finds that more recreational facilities are needed for students residing on Manoa campus. This is due to the fact that there is presently only one existing recreational facility — Kanewai Field — being used by approximately

2,000 University students who reside in the lower campus dormitories at the University of Hawaii. This, in turn, has caused the surrounding community to compete with the university community for the use of Kanewai Field.

Your Committee on Higher Education concurs with the intent and purpose of **H. C. R. No. 64** and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Iha.

SCRep. No. 610-74 Higher Education on H. R. No. 406

The purpose of this House Resolution is to request the University of Hawaii to construct, after receiving approval from the City and County of Honolulu, an overpass or underpass across Dole Street.

Your Committee finds that with the increased number of dormitories in the lower campus area, particularly the large Hale Aloha complex, these residents must cross Dole Street in order to attend their classes on the upper campus area. There are only three crosswalks utilized by these students which pose a potential hazard because of the many automobiles which run along Dole Street. The construction of an overpass or underpass would alleviate this hazard and better facilitate safe student and pedestrian passage without interfering in the movement of automobiles.

Your Committee on Higher Education concurs with the intent and purpose of **H. R. No. 406** and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Iha.

SCRep. No. 611-74 Higher Education on H. C. R. No. 63

The purpose of this House Concurrent Resolution is to request the University of Hawaii to construct, after receiving approval from the City and County of Honolulu, an overpass or underpass across Dole Street.

Your Committee finds that with the increased number of dormitories in the lower campus area, particularly the large Hale Aloha complex, these residents must cross Dole Street in order to attend their classes on the upper campus area. There are only three crosswalks utilized by these students which pose a potential hazard because of the many automobiles which run along Dole Street. The construction of an overpass or underpass would alleviate this hazard and better facilitate safe student and pedestrian passage without interfering in the movement of automobiles.

Your Committee on Higher Education concurs with the intent and purpose of **H. C. R. No. 63** and

recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Iha.

SCRep. No. 612-74 Education on H. C. R. No. 67

The purpose of this Resolution is to require the Honorable Governor of Hawaii to release the funds realized through the Department of Education's internal savings measures so that these funds may be expended on educational programs of high priority.

Your Committee on Education concurs with the intent and purpose of **H. C. R. No. 67** and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Uechi.

SCRep. No. 613-74 Education on H. R. No. 334

The purpose of this resolution is to request the Department of Education to extend the hours during which public libraries shall remain open.

Your Committee on Education concurs with the intent and purpose of **H. R. No. 334** and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Uechi.

SCRep. No. 614-74 Education on H. R. No. 419

The purpose of this Resolution is to request the Department of Education to evaluate its use and actual implementation of the master plan for public education in Hawaii.

Your Committee on Education concurs with the intent and purpose of **H. R. No. 419** and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Uechi.

SCRep. No. 615-74 Public Health and Welfare on H. R. No. 339

The purpose of the Resolution is to request the University of Hawaii, School of Medicine, to conduct a study of, and prepare plans for, a state medical examiner system, including the necessary proposed legislation. The School of Medicine is to conduct the study in consultation with appropriate private and public institutions, including the Hawaii Medical Association, the Hawaii Bar Association, and the county officers responsible for existing forensic pathology functions. The report is to be submitted with findings and recommendations twenty days before the convening of the Regular Session of 1975.

The problems of the medicolegal investigative system in Hawaii, particularly the lack of or incompletely performed autopsies on deaths that fall within the jurisdiction of the coroner or the medical examiner, has prompted this Resolution. The following conclusions by the Committee on Medicolegal Problems of the American Medical Association in its report in the *Journal of the AMA* on April 27, 1967, are applicable to Hawaii's present system:

(1) The effectiveness of the medical participation in the administration of justice leaves much to be desired.

(2) The ineffectual manner in which medical knowledge and skill are utilized in the investigation of the cause and circumstances of death undoubtedly predispose to:

- (a) Nonrecognition of murder or homicide;
- (b) Unjust accusation of innocent persons;
- (c) Improper evaluation of medical evidence bearing on the circumstances in which fatal injuries were incurred;
- (d) Failure to acquire and preserve medical evidence which would be useful in the apprehension and conviction of criminals;
- (e) Failure to acquire and preserve medical evidence essential for the just disposition of civil litigation;
- (f) Ignorance of certain otherwise preventable hazards to public health; and
- (g) Impairment of the value of vital statistics.

In view of the above stated shortcomings of the present medicolegal system in the State and the importance of the system to the system of justice of the State as well as the public health, your Committee feels that the passage of this Resolution is necessary. It is expected that the report will provide recommendations for improving the system.

Your Committee on Public Health and Welfare concurs with the intent and purpose of **H. R. No. 339** and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 616-74 Public Health and Welfare on H. R. No. 429

The purpose of this Resolution is to recognize that high blood pressure is a major public health problem which can be controlled by available knowledge and medications. It further urges the people of Hawaii to check their blood pressure annually, and that educational, scientific, medical, and voluntary organizations within the State work together to establish and maintain pro-

grams for high blood pressure education, detection, and treatment. The Governor and the director of health are urged to establish statewide high blood pressure information, detection, and treatment programs and to encourage local communities to do likewise. The Hawaii Medical Association and other public and private health organizations are invited to contribute their expertise and resources to the program.

High blood pressure is the primary cause of the deaths of 60,000 Americans annually and is a significant factor in the more than 1,500,000 heart attacks and strokes suffered by Americans each year. Of the 1.5 million suffering from heart attacks and strokes each year, over 750,000 result in death. Yet, only about one-eighth of the Americans with high blood pressure are receiving adequate therapy for the problem.

One way to deal with this widespread health problem is to provide programs calling attention to the disease and to establish early detection and aggressive treatment programs. Your Committee feels that the problem of high blood pressure and its attendant complications including heart attacks and strokes, should be recognized as a major public problem in which the State should assume a leadership role in providing information, educational, and detection programs.

Your Committee has made one amendment to the Resolution by deleting the term "treatment" from the sentence requiring the State to "establish statewide high blood pressure information and detection and treatment programs". Your Committee feels that the State should provide information and detection programs, but that treatment should be left up to each individual to obtain on his own.

Your Committee on Public Health and Welfare concurs with the intent and purpose of H. R. No. 429, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H. R. No. 429, H. D. 1.

Signed by all members of the Committee.

SCRep. No. 617-74 Consumer Protection on H. R. No. 340

The purpose of this Resolution is to study the credit granting practices in the State of Hawaii by an interim committee.

At the public hearing there were testimony supporting the allegations contained in the resolution, and while a representative of a bank did not agree with some of the recitals, he did not object to the proposed study.

Your Committee has technically amended the first "Be It Resolved" clause so it will conform to Rule 15(f) of this body. As amended, the Speaker is requested to appoint the members of the interim committee.

Your Committee on Consumer Protection concurs with the intent and purpose of H. R. No. 340, as amended herein, and recommends that it be referred to your Committee on Judiciary and Correction in the form attached hereto as H. R. No. 340, H. D. 1.

Signed by all members of the Committee except Representatives Roehrig and Uechi.

SCRep. No. 618-74 Consumer Protection on H. R. No. 405

The purpose of this Resolution is to request the Speaker of the House of Representatives to appoint an interim committee to study the production and sales practices of meat producers in the state. The intent of the Resolution is to determine whether there are unfair practices in this vital industry and whether corrective legislative actions should be taken.

Your Committee on Consumer Protection concurs with the intent and purpose of H. R. No. 405 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Roehrig and Uechi.

SCRep. No. 619-74 Consumer Protection on H. C. R. No. 66

The purpose of this Concurrent Resolution is to request the presiding officers of the House of Representatives and the Senate to appoint a joint interim committee to study the production and sales practices of meat producers in the state. The intent of the Concurrent Resolution is to determine whether there are unfair practices in this vital industry and whether corrective legislative actions should be taken.

Your Committee on Consumer Protection concurs with the intent and purpose of H. C. R. No. 66 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Roehrig and Uechi.

SCRep. No. 620-74 (Majority) Labor and Public Employment on S. B. No. 238

The purpose of this bill is to amend present law relating to Workmen's Compensation to provide immunity for general contractors against common-law tort actions by subcontractor's employees if they are employers of such employees for purposes of the Workmen's Compensation Law.

Section 386-1, the definition section of the Workmen's Compensation Law, states that whenever an independent contractor undertakes work under a contract, he is deemed the employer of all employees, including employees of all subcontractors, performing work thereunder.

This makes a general contractor the employer, for workmen's compensation purposes, of all employees who may be employed on a construction project and contingently liable for the payment of benefits to injured employees although they may not be on his payroll. The liability would arise if a subcontractor employer fails to provide the required benefits for his employees.

Another section of the law, Section 386-5, immunizes employers against common-law tort actions filed by their employees. It makes the remedies provided by the Workmen's Compensation Law the exclusive remedies employees have against their employers for work injuries. Common-law tort actions for work injuries, however, may still be brought against third parties if they are negligent. This immunity is justified because the employer provides and pays for benefit coverage under the Workmen's Compensation Law.

The Hawaii Supreme Court has recently held that the immunity from employee tort actions does not extend to a general contractor in a case where an employee of a subcontractor files suit against the general contractor for his negligence, even though he is the statutory "employer" who may be liable for payment of compensation benefits to such employee. The decision was based partly on the Court's opinion that an intent to insulate general contractors against tort suits filed by employees of their subcontractors was not clearly expressed in the law.

Your Committee is of the opinion that where an employer is made contingently liable for the payment of workmen's compensation benefits, the legislature also intended that he should be insulated against tort actions flowing from the injury for which benefits may be payable by him. Where there is a possible liability for compensation benefits, there should also be immunity from common-law tort actions.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of S. B. No. 238, S. D. 1, and recommends that it pass Second Reading and that it be referred to the Committee on Consumer Protection.

Signed by all members of the Committee.

Representative Fong did not concur.

SCRep. No. 621-74 Labor and Public Employment on S. B. No. 1276

The purpose of this bill, as amended herein, is to amend present law by authorizing the governor to transfer to any principal department of the State by executive order any agency created within or attached to his office for administrative purposes. The bill also provides that the governor may specify whether the transfer includes a transfer of functions to the department so as to integrate the agency within the department or whether the transfer is for administrative purposes only,

provided that the agency is to continue to exercise and perform the powers, duties and obligations previously existing or incurred. The bill further provides for transfer of all records, equipment, files, supplies, contracts, books, papers, documents, maps, other personal property of the agency, and all funds appropriated for operation and use of the agency.

Officers and employees of the agency are also to be transferred and will become civil service employees without loss of any benefits and without the necessity of examination, provided they possess the minimum qualifications for the positions to which they are transferred; provided that any subsequent changes in status are made pursuant to applicable personnel laws; and provided that their compensation shall be as provided by the applicable compensation plan or collective bargaining agreement for their positions. The bill also provides that the director of the Office of Consumer Protection and any employee in said office performing legal services in the capacity of an attorney are to be exempt from the provisions of Chapters 76 and 77 upon such transfer. The bill further provides that if any agency transferred to the University of Hawaii or the Department of Education, the laws, rules and regulations applicable to University or Department of Education personnel shall apply to officers and employees of the agency.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of S. B. No. 1276, S. D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S. B. No. 1276, S. D. 1, H. D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 622-74 (Majority) Water, Land Use and Development on S. B. No. 180

The purpose of this bill, as amended, is to modify the definition of "displaced person" in the law providing for assistance to those required to move because of government action, by excluding tenants upon and occupiers of State land under a revocable permit.

The findings and declaration of legislative purpose expressed in chapter 111, Hawaii Revised Statutes, Sec. 2 of which this bill proposes to amend, states, in relevant part, that:

"[P]ersons displaced by any action undertaken by any state or county governmental agency should be compensated for such displacement **under certain circumstances**. The purpose of this chapter is to establish a uniform policy for the fair and equitable treatment of owners, tenants, other persons, and business concerns displaced by the **acquisition** of real property for public or other purposes in the public interest, by building, zoning, and other similar **code**

enforcement activities, or by a program of **voluntary rehabilitation** of buildings or other improvements conducted pursuant to governmental supervision." (Emphasis added.)

The chapter provides for various forms and amounts of remuneration and restitution to persons qualifying, including relocation and optional payments for dwellings, business and farm operations, replacement housing payments, and for relocation assistance programs.

According to testimony presented by the department of land and natural resources, revocable permits for the occupancy of land owned by the State are issued to permit temporary use of State lands until planned more permanent disposition can be made, and to assist people who need temporary use of land. Permits are charged for at rates far below fair market rental because the State reserves the right to cancel the permit at any time upon giving the permittee thirty days' notice in writing of intent to cancel.

Further, since a revocable permit is of its nature a temporary permission to use State land and since the intention of the State in issuing such permit is to make interim use of the land until it is ready to develop it or put it to other more permanent use, it is not reasonable that the State should be required to pay the permittee for displacing him. The permittee is made to understand he will be so dispossessed at any time the State has a requirement for the land for a better use, and the permittee agrees to and signs the permit under those conditions.

Your Committee, upon consideration of this bill, recommends that it be further amended to provide that those persons who are issued revocable permits on State land which they had previously occupied as tenants or occupiers of private land which is subsequently acquired by the State, by virtue of which acquisition the revocable permits are issued immediately upon acquisition, shall be entitled to assistance as displaced persons upon displacement at the termination of the revocable permit.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **S. B. No. 180, S. D. 1**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **S. B. No. 180, S. D. 1, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Iha, Roehrig and Wedemeyer.

Representative A. Chong did not concur.

SCRep. No. 623-74 Housing on S. B. No. 855

The purpose of this bill, as amended, is to establish a quasi-public corporation to develop housing for low and moderate income households.

The corporation would have its own bonding capabilities to finance its operations. In addition, it would be able to establish commercial, industrial, and civic projects that are incidental to residential projects.

Your Committee upon consideration has amended the bill as follows:

1. A "residential project" has been redefined to mean a project consisting of a number of residential units.

2. A multi-purpose residential project has been defined as a residential project in combination with a land use improvement project, or incidental commercial, civic or industrial project.

3. A "land use improvement project" has been redefined to mean a project dealing with the clearance, site development, replanning, rehabilitation or redevelopment of land and not to the construction of any buildings thereon.

4. A residential unit has been defined to mean a dwelling housing unit, including a house, an apartment, a group of rooms or a single room intended for occupancy as separate living quarters.

5. The number and selection of the board of directors of the corporation has been changed. The membership is increased from four to eleven members. Six members would be appointed by the Governor, subject to the advice and consent of the Senate. They will serve staggered terms as directed under Sec. 26-34. Two voting members will represent the City and County of Honolulu, and will be nominated by the mayor and city council of Honolulu. The counties of Maui, Hawaii, and Kauai will be represented by one voting member each, each of whom shall be nominated by the mayor and councils of each respective county. The members from the counties will serve staggered four-year terms set by the Governor. All members from the counties will be subject to confirmation by the legislative bodies of the respective counties. Only two gubernatorial appointees may be heads of executive departments or agencies; otherwise, there shall be no directors who shall also hold either civil service or civil service exempt positions within the State government. In the event that there should be a vacancy in the board which remains unfilled for six months, the senate or respective county council may fill that vacancy through resolution. The directors shall appoint a president of the corporation as well as the chairman of the board, who will be selected from among the members. Your Committee has removed the salaries from the chairman and board members and has relegated the role of chief executive officer to the president rather than to the board chairman or members. The directors will receive reimbursements for their actual and reasonable expenses. At least two members of the board shall be representatives of low income housing.

6. The selection of the advisory council has been changed. New members shall include the representative of each county planning agency. In addition, the remaining members not already provided for in the bill will be appointed from a broad spectrum of organizations including those relating to labor, the construction industry, real estate, financial institutions, consumer protection and conservation.

7. Section 8, relating to the responsibilities of the directors is deleted in its entirety, to provide the corporation greater flexibility in its operations and policy making functions.

8. A new Section -8 has been added to provide for the sale of incidental commercial and industrial projects. This new section also replaces the provision of Section -9(1).

9. Subsection 9(1) has been amended to provide for the lease of land use improvement projects and also to provide for the repurchase of such property, the price to be set at the original cost, plus improvements, plus a return on the seller's equity to be agreed upon by the seller and the corporation at the time of initial purchase. This will conform to other non-residential unit repurchase provisions.

10. Your Committee has deleted Sec. -9(3), (4), and (5) in their entirety and subsection (2) has been redesignated for style and consistency. The deletions were made to conform to and avoid conflict with other amendments herein recommended.

11. Section -10 has been amended by referring specifically to a residential project only and by providing for the same terms for the resale of this project that apply to the other types of projects defined in Section -3.

12. A new subsection has been added covering the sale of residential units.

13. A new subsection has been added to allow the corporation at its own discretion, to give tenants of its projects the option to purchase their units.

14. A new provision has been added to provide the same buy-back restrictions for corporation-sponsored units that are being proposed as amendments to Chapter 359G.

15. The corporation has been made specifically subject to the provisions of Chapter 111, Hawaii Revised Statutes, relating to the relocation of displaced persons.

16. The corporation has been required to hold two public hearings in separate phases of project plan formulation.

17. The corporation's projects have been required to comply with existing State land use district boundaries and the county general plan designations.

18. The corporation has been required to consider the human needs of the tenants of its projects and to also consider the community impact of its projects.

19. The Hawaii Housing Authority may manage, lease or sell the completed projects developed by the corporation. In so doing, your Committee feels that the administrative structure of the authority can fulfill the needs of projects.

20. The corporation may be funded from the proceeds deposited in the dwelling unit fund established pursuant to section 359G-10.

21. This bill has been amended by changing its effective date to July 1, 1975. Further, an interim legislative committee will be appointed by the Speaker of the House and President of the Senate to study the bill and its practicableness in light of current State housing powers per Chapter 359G. The Committee will make recommendations to the next legislature on any amendments that are deemed necessary for the effective implementation of the law or on the feasibility of implementing the law.

22. The one-year residency requirement for eligible purchasers of residential units has been deleted.

Other non-substantive style and technical changes were also made for purposes of clarity.

Your Committee on Housing is in accord with the intent and purpose of **S. B. No. 855, S. D. 2, H. D. 2**, as amended herein, and recommends that it pass Third Reading in the form attached hereto as **S. B. No. 855, S. D. 2, H. D. 3**.

Signed by all members of the Committee except Representative Uechi.

SCRep. No. 624-74 Labor and Public Employment on S. B. No. 1844-74

The purpose of this bill is to amend Chapter 378, covering employment practices, to extend the time within which an employee who has been unlawfully suspended or discharged in violation of Section 378-32(2) may file a complaint with the Department of Labor and Industrial Relations.

Section 378-32(2) makes it unlawful for an employer to suspend or discharge an employee solely because the employee has sustained a work injury, unless the employee is incapable of performing any work the employer has available. Section 378-33 requires that a complaint based on any unlawful employment practice be filed within 30 days of the unlawful suspension or discharge.

This bill proposes to amend Section 378-33(b) so a person who is suspended or discharged in violation of Section 378-32(2) may file his complaint within 30 days from the time he or she is able to return to work, rather than 30 days from the

date of the suspension or the discharge.

The Director of Labor and Industrial Relations has informed your Committee on cases where employees incapacitated by work injuries have been deprived of rights under the law because they were unable to file complaints with the department within 30 days of the discharges. The proposal to allow 30 days from the time the employee is able to return to work for the filing of a complaint would remedy the problem described by the director.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of S. B. No. 1844-74, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 625-74 Consumer Protection on S. B. No. 2189-74

The purpose of this bill is to authorize the expenditure of funds in the real estate recovery fund for purposes of retaining private legal counsel to represent the Real Estate Commission involving the fund.

The fund which is financed by real estate licensees was established to indemnify an aggrieved person who recovers damages in a court action due to fraudulent acts of real estate brokers and salesmen. The proposal transfers the function from the attorney general to the private attorney, and the authority given to the commission is similar to that authorized the contractors license board with respect to the contractors recovery fund. Your Committee heard testimony on H. B. No. 3001-74, companion bill to the one under consideration, and the measure will permit the Real Estate Commission to intervene and defend against a licensee in the proper case.

Your Committee on Consumer Protection is in accord with the intent and purpose of S. B. No. 2189-74 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Roehrig and Uechi.

SCRep. No. 626-74 Public Health and Welfare on S. B. No. 601

The purpose of the bill is to provide for loans to applicants under the Federal Supplemental Security Income Program during the period pending the determination of eligibility under such program.

Applicants who may be eligible for benefits under the Social Security Act as amended by P.L. 92-603 and P.L. 93-233 (Supplemental Security Income Program) are currently subject to considerable hardship because there are many persons who are precluded by federal regulations from

receiving any benefits on a presumptive eligibility basis. Once they are determined eligible, their benefits are retroactive to the date of application. This means, however, that during the period of waiting for their eligibility determination they are without means to take care of their subsistence needs. Such a period could run up to two months. Furthermore, they are denied federal assistance under said program if they are receiving general assistance from the State.

A feasible method to provide the necessary assistance to these applicants without jeopardizing their eligibility is to provide these applicants with a loan not to exceed the amount of assistance they would receive under General Assistance. If the applicant is determined eligible under the SSI program he will repay the loan from the retroactive benefits he receives or the federal government may repay the State if the Social Security Act is amended to provide for direct payment to the State of retroactive payments up to the amount of funds loaned. If the applicant is found ineligible for SSI benefits, the loan will be deemed to have been a grant and will not be subject to repayment, since these applicants will then in all probability become General Assistance recipients.

Your Committee finds that SSI applicants are caught in an untenable situation in which their basic rights to subsistence assistance are denied during the period of eligibility determination and that the State's concern for the general welfare of its citizens dictates that a solution be found to assist these applicants.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of S. B. No. 601, S. D. 2, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 627-74 Public Health and Welfare on S. B. No. 1451-74

The purpose of this bill is to give civil service status to the position of county general hospital administrator. Present hospital administrators being converted shall be accorded civil service status without the necessity of examination and enjoy all the rights, benefits, and privileges provided under civil service law.

This bill would affect the administrator's position at Kauai Veterans Memorial Hospital, Hilo Hospital, and Maui Memorial Hospital where the hospital administrator's position is not a civil service position. It would also provide for consistency among all county general hospital administrators since some now are classified as civil service positions.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of S. B. No. 1451-74, S. D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 628-74 Public Health and Welfare on S. B. No. 1829-74

The purpose of this bill is to ensure the continuing availability of services for the retarded currently rendered by the Hale Hauoli Center of Kauai, by having the State assume its ownership, and incorporating its administration and operation into the State Department of Health's community program.

Your Committee finds that the Hale Hauoli Center was established by the Kauai Association to Help Retarded Children, Inc., in 1969 with the assistance of private, state, and federal funds. The center played a crucial role in providing services to the retarded who were not eligible for services from other programs. Currently, there are twenty-six persons attending the center. There are more persons needing the services of the center.

The center provides diagnostic services to determine the person's functional levels, and an individualized program is developed. Training is geared towards developing personal skills such as toileting, personal hygiene, grooming, written and oral communication, travel and knowledge of community resources. All efforts are directed towards raising the individual's functioning level so he can attain a more productive level of achievement be it sheltered employment, vocational training, or job placement.

The Department of Health recommends that the State assume ownership and operation of the center as it has demonstrated its ability to contribute to the retarded in Kauai County. No increase in cost to the State is anticipated, and there may even be a reduction in State expenditure as federal funds under Title XVI are substantial.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of S. B. No. 1829-74 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 629-74 Public Health and Welfare on S. B. No. 1766-74

The purpose of this bill is to ensure the continuing availability of needed services for the retarded currently rendered by the Hale Hauoli Day Activity Center of Maui, by having the State assume its ownership, and incorporating its administration and operation into the State Department of Health's community program.

Your Committee finds that the Hale Hauoli Day Activity Center was established by the Maui Association to Help Retarded Children, Inc., in 1969, with the assistance of private, state, and federal funds. The center played a crucial role in providing services to the retarded who were not eligible for services from other programs. Currently, there are twenty-two individuals attending the

center, and another twenty-five are being processed for attendance. Since 1969, the following sums were appropriated by the Legislature to support the center: 1969—\$8,440; 1970—\$8,440; 1971—\$20,526; 1972—\$32,006; 1973—\$40,738; 1974—\$58,008.

The center provides diagnostic services to determine the person's functional levels, and an individualized program is developed. Training is geared towards developing personal skills such as toileting, personal hygiene, grooming, written and oral communication, travel, and knowledge of community resources. All efforts are directed towards raising the individual's functioning level so he can attain a more productive level of achievement be it sheltered employment, vocational training or job placement.

The Department of Health recommends that the State assume ownership and operation of this center as it has ably demonstrated its ability to contribute to the retarded in Maui County. No increase in cost to the State is anticipated and there may even be a reduction in State expenditure as federal funds under Title XVI are substantial.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of S. B. 1766-74 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 630-74 Housing on H. R. No. 238

The purpose of this Resolution is to reevaluate the feasibility and need of the Vineyard Street Garage. This resolution also calls for a revised relocation plan to be drawn up to guarantee the residents of the Old Vineyard Street Community with replacement housing in Central Honolulu which is safe, sanitary and decent and which will cost no more than what the residents can afford.

Your Committee is in sympathy with the testimony of residents of the Old Vineyard Street Community expressing their long standing sense of community, growing cohesiveness, and desire to maintain their lifestyle in the neighborhood they have been living in for so many years. Such community lifestyles as found at Vineyard Street are fast disappearing in the growth and progress of Hawaii.

In view of a recognized need for affordable housing, the questionable expenditure of State funds, and the institution of GASPLAN and the encouragement of car pools to cope with the current energy crises, it would be appropriate for the Department of Accounting and General Services to reevaluate the need for the Vineyard Street Garage and also to consider possible alternatives as to location, size and design of such a garage is deemed necessary.

In addition, your Committee notes the clarification

tion made by the Department of Social Services and Housing that it is the displacing agency, the Department of Accounting and General Services, and not the Hawaii Housing Authority who is responsible for drawing up any relocation plans for the Vineyard Street Garage project.

Your Committee upon consideration of this resolution recommends the following amendments:

(a) The first Resolved Clause be amended specifically to recognize the housing crises; and

(b) That the second Resolved Clause be amended to properly identify the Department of Accounting and General Services as the agency responsible for the relocation plans to guarantee the residents of the Vineyard Street Community safe, sanitary and decent housing in the Central Honolulu area; and

(c) That the third Resolved Clause request the Department of Accounting and General Services to suspend all further operation for the Vineyard Street Garage until such time as a reevaluation is completed on the feasibility and value of the Vineyard Street Garage and a housing plan meeting the residents' needs as closely as possible is drawn up; and

(d) That the fourth Resolved Clause be amended so that certified copies of this Resolution be also sent to the Governor and the Director of the Department of Land and Natural Resources.

Your Committee on Housing concurs with the intent and purpose of **H. R. No. 238**, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as **H. R. No. 238, H. D. 1**.

Signed by all members of the Committee except Representative Uechi.

SCRep. No. 631-74 Consumer Protection on H. R. No. 421

The purpose of this Resolution is to direct the Real Estate Commission to investigate problem areas of condominium living and adopt rules and regulations to correct the problems.

Based on the testimony adduced, your Committee is convinced that the concerns expressed in the resolution are valid, and that the problem would be further magnified if corrective action is not taken as soon as possible because of the growing trend towards condominium living.

Your Committee has amended the Resolution because it believes that some of the concerns recited do not fall within the jurisdiction of the agency. As amended, therefore, the commission is directed to promulgate rules and regulations within its powers and to recommend legislation for matters that require action by the Legislature.

Your Committee on Consumer Protection concurs with the intent and purpose of **H. R. No. 421**, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as **H. R. No. 421, H. D. 1**.

Signed by all members of the Committee except Representative Uechi.

SCRep. No. 632-74 Public Health and Welfare on S. B. No. 1525-74

The purpose of this bill is to amend Section 457-9, Hawaii Revised Statutes, relating to renewal of licenses. The renewal fee is changed from \$3.00 to \$5.00 because the present fee fails to adequately cover the processing costs.

The effective date of the bill is January 1, 1975.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of **S. B. No. 1525-74, S. D. 1** and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 633-74 Public Health and Welfare on S. B. No. 1266-74

The purpose of this bill is to amend Sections 326-21 and 326-22 of the Hawaii Revised Statutes relating to the employment of patients by the Leprosy Program.

The proposed amendment to Section 326-21 compensates an employed patient for services rendered by a percent of the minimum wage established in Section 387-2. The Department of Health shall establish a patient pay plan consisting of six grades of work. The pay for Group 1 employees shall be equal to 53% of the minimum wage as established by Section 387-2. The difference between each of the grades from one to six shall be 3.5%. The department shall determine the pay for all patients employed not covered in this six grade pay plan.

This amendment clarifies that 80 hours of cumulative service time shall constitute a month of service. In any calendar year, a patient shall not be compensated for more than 12 months of service.

The proposed amendment to Section 326-22 compensates released or discharged patients in accordance with the rates established in Section 326-21.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of **S. B. No. 1266-74, S. D. 1** and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 634-74 Public Health and Welfare on

S. B. No. 4

The purpose of this bill is to amend Chapter 349, Hawaii Revised Statutes, relating to programs on aging to strengthen, improve and coordinate public and private programs and services to the elderly.

The bill requires the Commission on Aging to develop, implement and update on a continuous basis a comprehensive master plan for the elderly including these components: immediate and future goals; priorities for program implementation; demographic data; administrative and program structure and the use of facilities and personnel; and identified social, physical and psychological needs of our elderly.

The bill further requires that an evaluation be conducted of all programs administered through Federal and State funds.

Your Committee has amended the bill as follows:

(1) The phrase "one member from the city and county of Honolulu" has been added on page 3, line 1. This is to provide a legal liaison to the state commission on aging from the city and county of Honolulu.

(2) The phrase "carrying out the duties" has been added on page 3, line 4 to clarify the basis for reimbursing the necessary expenses of the commission on aging members who actively participate in activities of the commission between meetings as volunteers.

(3) The phrase "county agencies on aging" has been added to page 13, line 4.

Your Committee feels that the State's elderly can be best served with the development and subsequent implementation of a comprehensive master plan which will identify and correct inequities now experienced by the aged. Your Committee also believes that the development of a master plan is consistent with Federal requirements under Titles III and VII of the Older Americans Act.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of **S. B. No. 4, S. D. 3** as amended herein and recommends that it pass Second Reading in the form attached hereto as **S. B. No. 4, S. D. 3, H. D. 1** and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 635-74 Environmental Protection on S. B. No. 1397-74

The purpose of this bill is to amend Section 341-6 of the Hawaii Revised Statutes to give the environmental council legal authority to monitor the progress of State, county, and federal agencies in achieving the environmental goals and policies

of the State. The council shall make an annual report with recommendations for improvement to the governor, the legislature and the public. Such report shall be made no later than January 31 of each year.

Your Committee on Environmental Protection is in accord with the intent and purpose of **S. B. No. 1397-74, S. D. 2** and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Corrections.

Signed by all members of the Committee except Representative Wakatsuki.

SCRep. No. 636-74 Public Health and Welfare on S. B. No. 1523-74

The purpose of this bill is to increase the re-examination fees for registered and practical nurses and to establish a fee for license verification as requested by out-of-state nursing boards.

The proposed fees and justification are as follows:

(1) Re-examination fee: \$5.00 to \$10.00 for registered nurses and \$3.00 to \$10.00 for practical nurses. These fees have been in effect for the past 20 years and fail to cover operational expenses since examination costs have risen in this same period.

(2) \$5.00 fee for license verification. The Board of Nursing is seeking to establish a nominal fee, not presently charged, to cover the processing costs of the verification forms requested by out-of-state nursing boards.

(3) To statutorily set license fees for registered nurses at \$30.00 and at \$15.00 for licensed practical nurses. Section 92-28, Hawaii Revised Statutes, gives the Board of Nursing the authority to increase the fees charged by them by an amount not to exceed 50 per cent of the statutorily assessed fee to maintain a balance between fees accrued and service cost. The Board increased license fees in 1970 from \$20.00 to \$30.00 for registered nurses and \$10.00 to \$15.00 for licensed practical nurses.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of **S. B. No. 1523-74** and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 637-74 Public Health and Welfare on S. B. No. 2173-74

The purpose of the bill is to amend chapter 321, Hawaii Revised Statutes, by adding a new part relating to mental health services for children and youth. It establishes a children's mental health services branch within the mental health division of the department of health to provide intensive and highly specialized treatment for children

between the ages of birth and seventeen. It provides for the community mental health centers to have children's mental health services teams to coordinate such services in the geographic region, as well as provide a liaison between the community mental health center and the schools to aid in the detection and early identification of children suffering from mental health problems. The bill further requires the children's mental health services branch to develop a statewide children's mental health services plan before September 1, 1974.

Your Committee finds that children's mental health services have been given a low priority in the state mental health services program. In fact, concentration of services has focused on adult mental health services. Yet the problem of mental illness and emotional disturbance is as prevalent in children as it is in adults.

Your Committee would like to make reference to **Standing Committee Report No. 407-74**, on **House Bill No. 3018-74**, **H. D. 1**, which further delineates the background of the bill.

Your Committee has amended the bill to include the phrase, "to community mental health centers, the department of education, and any other agency or organization, public or private, dealing with children between the ages of five and eleven." to the paragraph (2) in the section 321- which relates to children's mental health services branch. This phrase was inadvertently left out of the senate bill.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of **S. B. No. 2173-74**, **S. D. 2** as amended herein and recommends that it pass Second Reading in the form attached hereto as **S. B. No. 2173-74**, **S. D. 2**, **H. D. 1** and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 638-74 Public Health and Welfare on **S. B. No. 1601-74**

The purpose of the bill is to provide income tax and real property tax exemptions to persons who are not considered totally disabled under the present law but who nonetheless suffer from a disability, whether mental or physical, which impairs their earning ability.

The department of health in certifying persons for total disability for income tax purposes has had to turn down many persons with conditions which are just as disabling, or more so, than those persons who presently qualify under the definition of "person totally disabled" in section 235-1, Hawaii Revised Statutes. The effect of the amendment would allow for a broader interpretation of "person totally disabled" thereby allowing the department of health to certify persons as being totally disabled who do not now qualify under the definition set forth for income tax purposes.

Qualification under section 235-1, also includes qualification for real property tax exemption under chapter 246.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of **S. B. No. 1601-74**, **S. D. 1**, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 639-74 Transportation on **S. B. No. 2082-74**

The stated purpose of this bill is to establish a separate statute for the regulation of transportation of passengers and property over the surface waters between and among points in the State.

At present, water carriers are regulated under chapter 269, H. R. S., Public Utilities Commission, together with other utilities, such as electricity and gas. Motor carriers are regulated under a separate statute. This bill is an extension of that same concept.

Your Committee recommends that a Water Carrier Law be enacted for the fair and impartial regulation of such transportation, so administered as to preserve the advantages of such transportation, thus preserving for the public the full benefit and use of the surface waters of the State consistent with the public safety and the needs of commerce.

Hearings were held on a companion bill, **H. B. No. 2983-74**, **H. D. 1**. This bill does not contain any further substantive changes.

Your Committee on Transportation is in accord with the intent and purpose of **S. B. No. 2082-74**, **S. D. 2**, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Suwa.

SCRep. No. 640-74 Consumer Protection on **S. B. No. 2118-74**

The purpose of this bill is to include private sewerage disposal companies under the Public Utilities Commission thereby regulating the rates that these companies charge for sewerage services.

The bill accomplishes the purpose by amending section 2691, H. R. S., to include a person who operates a sewer company within the definition of a utility. This will permit the commission to regulate the rates charged by such person and afford the consumers an opportunity to be heard with regard to such charges.

Your Committee on Consumer Protection is in accord with the intent and purpose of **S. B. No. 2118-74**, **S. D. 2** and recommends that it pass

Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Uechi.

SCRep. No. 641-74 Consumer Protection on S. B. No. 1564-74

The purpose of this bill is to amend chapter 485 of the Hawaii Revised Statutes relating to the Uniform Securities Act (modified) so as to provide that any person who issues securities which are subject to chapter 485 shall issue a new security to replace a lost, destroyed or wrongfully taken security once the owner has presented to the issuer an affidavit signed by the owner stating that to the best of his knowledge and belief the security is lost and that he has given proper notice to the public.

The bill specifically provides that provisions of the Uniform Commercial Code do not apply to this section of chapter 485 and has provided a procedure which the owner must follow in giving notice of the lost, destroyed or stolen securities.

Your Committee on Consumer Protection is in accord with the intent and purpose of S. B. No. 1564-74, S. D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Uechi.

SCRep. No. 642-74 Finance on S. B. No. 1745-74

The purpose of this bill is to set forth provisions governing lapsed warrants of the counties. Any warrant presented for payment after the lapse date shall not be paid and the money held in the county treasury for the payment of the lapse warrant shall be deposited into the general fund of the county. However, the payee or his legal representative is entitled to payment within 10 years upon filing a claim for recovery with the county director of finance.

Your Committee has amended this bill to clarify the term "legal representative". The phrase "the payee of such warrant, or his legal representative" is changed to read "the payee or assignee of the warrant, or, if the payee is deceased, the executor or administrator of the estate of the payee, or if the estate of the payee is closed, to any person lawfully entitled to the undisposed property of the deceased payee."

Your Committee on Finance is in accord with the intent and purpose of S. B. No. 1745-74, S. D. 1, as amended herein, and recommends that it pass second reading in the form attached hereto as S. B. No. 1745-74, S. D. 1, H. D. 1, and be placed on the calendar for third reading.

Signed by all members of the Committee.

SCRep. No. 643-74 Finance on S. B. No. 17

The purpose of this bill is to reorganize the Board of Paroles and Pardons. The main objective is to make it a professional board. The bill attempts to accomplish this objective by making the following major changes in existing law: (a) The chairman and members of the board are nominated and with the Senate's approval appointed by the Governor from a list of persons submitted by a panel consisting of the Chief Justice of the Supreme Court, the Director of the Department of Social Services and Housing, and other persons interested in the field of penal corrections. (b) The chairmanship of the board is made a full-time position with a salary consistent with full-time professional responsibilities. (c) The remaining board positions have been reduced to two (instead of four as under present law) and remain on a part-time basis; however, compensation is provided on an hourly basis equal to the chairman's rate of compensation. (d) The duties and responsibilities of the board are specifically spelled out.

Your Committee has amended this bill as follows:

1. Added the words "in an unexpired term" to the last sentence of section 353-61.

2. Changed the heading of section 353-62 to read "Board of paroles and pardons: responsibilities and duties; operations."

3. Changed section 353-62(b) (3) to read "In establishing rules, conform to chapter 91;".

4. Substituted the words "rules" for "regulations" from section 353-62(b) (5).

5. Changed the second and third sentences of section 353-63 to read "The salary of the chairman shall be \$21,000 a year. All other members shall serve on a part-time basis and shall be paid compensation at the rate of \$50 per day for each day of actual attendance at a meeting."

6. Added an appropriation of \$36,000 in section 7 to fund the board for the fiscal year 1974-75.

Your Committee on Finance is in accord with the intent and purpose of S. B. No. 17, S. D. 2, H. D. 1, as amended herein, and recommends that it pass third reading in the form attached hereto as S. B. No. 17, S. D. 2, H. D. 2.

Signed by all members of the Committee.

SCRep. No. 644-74 Consumer Protection on S. B. No. 2100-74

The purpose of this bill is to provide by law that any interest earned on funds held in escrow in connection with transactions involving sales and purchases of real property shall accrue to the credit of the purchasers unless otherwise instructed by the sellers and purchasers.

The Hawaii Revised Statutes is amended by

adding new sections to chapter 402 relating to fiduciaries (banks, trust companies, savings and loan companies etc) and chapter 449 relating to escrow depositories. While such definitive statements in our laws are desirable to avoid controversies, your Committee has amended the bill so its proposals would apply only to funds held in escrow for more than sixty days.

Escrow depositories under section 449-16, H. R. S. are presently subject to strict accounting practices, and they are required to maintain funds of clients in separate accounts payable on demand in Hawaii banks. Since many real estate transactions are closed within sixty days interest earned, if at all, are negligible, and your Committee believes that from a practical standpoint the bill's proposals are not appropriate to escrow agreements of short duration.

Your Committee on Consumer Protection is in accord with the intent and purpose of **S. B. No. 2100-74, S. D. 1**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **S. B. No. 2100-74, S. D. 1, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Uechi.

SCRep. No. 645-74 Consumer Protection on S. B. No. 1498-74

The purpose of this bill is to simplify the Public Utilities Commission's approval procedures when installation of utility facilities are contemplated in, on, above, along or under public right of ways.

Your Committee has heard testimony on **H. B. No. 2208-74**, companion bill to the bill under consideration, and therefore believes that the recommendations herein made meets the public hearing requirement of the House Rules.

Under existing law enacted in 1961 the commission is mandated to base its approval on written findings that a proposed installation, regardless of project size, meets prescribed standards of the agency. Since 1961 the commission has promulgated standards in accordance with section 269-14, H. R. S., and the bill amends existing law by deleting the requirement for a written finding which has proven to be cumbersome for the commission and utilities.

Although your Committee recommended passage of the bill on Third Reading in **Standing Committee Report No. 263-74**, upon further consideration it is now recommending that the bill be amended. While the original bill permitted the utility, without prior approval, to install its facilities along the highways so long as such facilities meet the commission's standards, your Committee has made it a requirement that the commission must approve a proposed installation providing, however, that the commission may delegate the approval responsibility to the chief

administrator.

Instead of a formal written finding of the commission which meets infrequently, the approval responsibility may be delegated to the full-time chief administrator. Since he reviews all proposed capital expenditures of utilities annually, it is your Committee's opinion that the recommended approval procedure would not be cumbersome or cause undue delays. The recommendation is similar to the procedure relating to building permits. A government official should have an opportunity to check whether proposed installations conform to standards. Finally, it is your Committee's belief that detailed and comprehensive standards can be construed differently and such differences should be resolved before expensive facilities are installed.

To summarize, it was proper to require the commission to make written findings on a case by case basis when there was no standard. Since the commission as a policy matter has established standards the approval function today is basically administrative and therefore should be delegated to an administrative officer.

Your Committee on Consumer Protection is in accord with the intent and purpose of **S. B. No. 1498-74**, as amended herein, and recommends that it pass Third Reading in the form attached hereto as **S. B. No. 1498-74, H. D. 1**.

Signed by all members of the Committee except Representative Uechi.

SCRep. No. 646-74 Higher Education on S. B. No. 1536-74

The purpose of this bill is to provide for an increase in the number of scholarships and tuition waivers for the students of the University of Hawaii system.

Recent budget cutbacks at the Federal level have significantly curtailed financial aids and grants, such as the National Direct Student Loan program (NDSL) and the Supplemental Economic Opportunity Grant program (SEOG), which have provided much of the financial assistance available to graduate students across the nation. At the University of Hawaii, these cutbacks have resulted in a loss of approximately 450 to 500 individual assistance grants in the present year, which would not be made up at the local level. The President's budget for 1975-76 has eliminated additional funding for the NDSL and SEOG programs, so our reliance on Federal assistance in the area of financial aid to students must be minimized considerably.

Concurrent with the loss of funds at the Federal level, tuition rates for the University of Hawaii System have recently been increased, with the first increase to take place in the Fall of 1974, followed by a second incremental increase in the Fall of 1975.

Tuition rates within the University of Hawaii system will be nearly doubling in some cases, and more than doubling in others, in the space of one year's time, and will be going even higher the next year. This will create a significant financial burden for many of Hawaii's students who are currently enrolled in the system, and have budgeted their education with lower tuition expectations. Coupled with the loss of a significant amount of Federal funds through the NDSL and SEOG programs, this creates a situation which might interrupt or impede entirely the educational plans of many of Hawaii's students.

State scholarships have by law been awarded to full-time students who are well qualified and students in such necessitous circumstances that in the judgment of the university they would otherwise be unable to attend the university or a community college. These State scholarships are restricted to students who have been bona fide residents of the State of Hawaii from five consecutive years immediately preceding the term for which the scholarship is desired. Scholarships are awarded for a period of one academic year, and shall be renewed each year up to a maximum of four academic years, for all recipients who maintain a satisfactory standard of scholarship and deportment.

Your Committee has found that the existing laws governing the awarding of State Scholarships are restrictive, in that they do not respond to the special needs of part-time students, such as housewives whose responsibilities will not enable them to attend the university full-time, and students who must carry less than a full course load because they are working their way through college. Also to be considered is a new category of students, who move into a financial need category because of the tuition increases, but who do not require a full scholarship.

Your consideration of this bill, and in response to problems cited above, your Committee has amended this bill as follows:

1. In section 2 of the bill, section 304-4, Hawaii Revised Statutes, has been restored to the existing provision of 400 tuition waivers.

2. In section 4 of the bill, section 304-17, Hawaii Revised Statutes, has been amended to allow any State Scholarship to be divided.

3. Section 4 has been further amended by deleting the provisions for calculation of quotas for new campuses in section 304-17, Hawaii Revised Statutes.

4. Section 4 has been further amended by deleting reference to professional or advanced degree.

Your Committee on Higher Education is in accord with the intent and purpose of S. B. No. 1536-74, S. D. 1, as amended herein, and recommends that it pass Second Reading in the

form attached hereto as S. B. No. 1536-74, S. D. 1, H. D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Iha, Wasai, Young, Carroll, Hapai and Medeiros.

SCRep. No. 647-74 Higher Education on S. B. No. 2024-74

The purpose of this bill is to create a student health center revolving fund and to establish a provision allowing the University to make its own deposits of certain funds and by creating a research and training revolving fund. In addition this bill provides for the enrollment of senior citizens of sixty years of age or older to enroll in regular credit courses at any campus of the University of Hawaii without payment of tuition or fees.

Your Committee believes that a revolving fund would allow the Student Health Center to offer certain services on a self-supporting basis. The two major areas currently affected are the pharmacy service whose stock of 100 plus pharmaceuticals has been depleted to 12 essential formulas and infirmary service that provides overnight care without need for hospitalization primarily for the dormitory students.

This bill also would permit the University to privately deposit funds received from the Federal and state governments and from private donations for research, training and other transitory purposes in a revolving fund.

The law states that moneys received by the University from the Federal government or private donors must be deposited in the State treasury. Such deposits require careful auditing by the Department of Accounting and General Services, the Department of Budget and Finance and the University.

Presently, 644 separate accounts exist in the University Trust Fund category; 516 exist in the revolving or trust accounts and 3,086 accounts in the Federal research and training funds category. In addition, there are those funds referred to as "agency" which denotes moneys that are not University or State resources or are created as accounting conveniences only.

This bill will permit the University, with the approval of the Director of Finance, to make its own deposits of Federal research and training grants, trust funds and revolving funds over which the State has little or no specific control.

This bill also creates a research and training revolving fund which shall consist of ten per cent of all income up to a maximum of \$200,000 annually from indirect overhead sources on account of all University-held Federal and other research and training contracts and grants. These funds shall be used for research and training

purposes which may result in additional research and training grants and contracts.

Your Committee has amended this bill to establish a revolving fund for transcripts and diplomas. Currently, students pay fees for these items but if the appropriated funds are exhausted, the University will not be able to offer these services. In one case brought to your Committee's attention, a student needed transcripts in order to apply for a scholarship; however, due to exhausted appropriation, the University was not able to provide the required transcripts to the student despite the student's willingness to pay. Your Committee has amended this bill to relieve this type of problem.

Your Committee also recommends deleting the provision allowing free textbooks and supplies to senior citizens. Your Committee feels that this additional responsibility cannot be assumed at this time, in view of the State's current financial condition.

Sections 3, 4, 5, and 6 of the bill have been renumbered to sections 4, 5, 6 and 7, respectively, for the purpose of consistency.

Your Committee on Higher Education is in accord with the intent and purpose of S. B. No. 2024-74, S. D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S. B. No. 2024-74, S. D. 1, H. D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Iha, Wasai, Young, Carroll, Hapai and Medeiros.

SCRep. No. 648-74 Higher Education on S. B. No. 2039-74

The purpose of this bill is to appropriate matching State funds to obtain Federal funds in a ratio of 20% State money to 80% Federal money for capital improvements in certain local hospitals to be used by the University of Hawaii School of Medicine.

Your Committee has received testimony on this bill, and finds as follows: As an integral part of the expansion of the University of Hawaii School of Medicine to a full, degree-granting program, formal liaison agreements have been concluded with certain existing community hospitals for the Medical School to utilize these facilities as a part of the medical education program. In order to provide the necessary training and instructional improvements in these participating hospitals, the Medical School has secured Federal matching funds which will cover 80% of the required capital improvements costs, with the State providing the remaining 20%. Previous Legislative appropriations, which were made prior to the receipt by the University of actual bids on these projects, provided State matching funds for capital improvements at Queen's Medical Center, St.

Francis Hospital, Children's Hospital, Kapiolani Hospital and Leahi Hospital.

The original amounts committed were based on estimates of costs of construction for the respective facilities; however, certain events have occurred subsequent to the provision of the original funding which requires supplemental State funds if the medical school's facility needs are to be met. These events include actual bid returns requiring add-on funds from the State in the amount of \$994,234 in the case of Queen's Medical Center, and \$259,600 in the case of St. Francis Hospital. Bids on the joint facility to serve Children's and Kapiolani hospitals have not yet been received, however, it is anticipated that because of inflation and increased costs of construction materials, the actual bids for these projects will run over from 40% to 50% of the originally estimated amounts.

In addition to this factor, funds for facilities at Kuakini Hospital and Home were not requested last Session, as the impounding of Federal funds precluded the availability of matching funds at that time. These Federal funds have since been released, and the application for matching Federal funds for the Kuakini improvements has been resubmitted for the present year. It is anticipated that this request will be approved, provided that matching State funds in the amount of \$300,000 are made available to obtain the \$1.2 million in Federal funds. Your Committee has amended this bill to provide for the inclusion of funds for Kuakini improvements.

Your Committee notes that the encumbrance of the Federal grant portion of these appropriations is contingent upon committal of the State's share, as evidenced by a bid award. Because of the shortfall in available State funds, the Federal grant commitment is being extended on a month-to-month basis. Your Committee would further note that the matching State funds are not only necessary to obtain a firm encumbrance of the Federal funds, but, more importantly, it is critical that the projects to be constructed by these funds be initiated at the earliest possible date, in order that the Medical School will be able to provide the necessary in-hospital instruction for the third and fourth year medical students.

Your Committee on Higher Education is in accord with the intent and purpose of S. B. No. 2039-74, S. D. 2 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Iha and Hapai.

SCRep. No. 649-74 Legislative Management

Informing the House that **House Resolution Nos. 467 to 471, Standing Committee Report Nos. 626-74 to 648-74, Floor Amendment to Senate Bill No. 855, Senate Draft No. 2, House Draft No. 4, and Standing Committee Report Nos. 650-74 to 661-74**, have been printed and distributed.

Signed by all members of the Committee.

SCRep. No. 650-74 Finance on H. R. No. 106

The purpose of this resolution is to consider charging an agency for services furnished to it by another agency to aid the first agency in carrying out its program. It is requested that the Department of Budget and Finance determine which of these services should be charged against the various agencies requesting them. The Department is further requested to present a report of this matter twenty days before the convening of the 1975 Legislature.

Your Committee on Finance concurs with the intent and purpose of **H. R. No. 106** and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 651-74 Finance on H. R. No. 190

The purpose of this resolution is to request that a survey be undertaken to determine the feasibility of restoring and preserving sites along the Hamakua coast for possible development of a historical park depicting plantation life and communities. The Department of Land and Natural Resources is requested to make this survey.

Your Committee has amended this resolution in the first resolving paragraph to change the word "the" to "and" so the phrase therein reads "restoring and preserving sites along the Hamakua coast".

Your Committee on Finance concurs with the intent and purpose of **H. R. No. 190**, as amended herein, and recommends its adoption in the form attached hereto as **H. R. No. 190, H. D. 1**.

Signed by all members of the Committee.

SCRep. No. 652-74 Finance on H. R. No. 218

The purpose of this resolution is to request the Department of Land and Natural Resources to conduct a feasibility study for a park in the Pearl City area in a twenty-two acre site across from Pearl City High School, Tax Map Key 9-7-25. The suggestion is that a picnic area and hiking trails be part of the park facilities. It is further suggested that the Department coordinate this study with the city and county of Honolulu, because of county interests in recreational facilities.

Your Committee on Finance concurs with the intent and purpose of **H. R. No. 218** and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 653-74 Finance on H. C. R. No. 25

The purpose of this concurrent resolution is to request the Congress of the United States to institute action for the return of the land occupied

by the U.S. Immigration Service on Oahu to the State of Hawaii for development into Hawaii's Heritage House for the Bicentennial Celebration and for a continuing historical and cultural center.

Your Committee on Finance concurs with the intent and purpose of **H. C. R. No. 25** and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 654-74 Consumer Protection on H. R. No. 295

The purpose of this resolution is to request the department of labor and industrial relations to adopt rules requiring mechanized parking garage elevators to be manufactured and operated in accordance with Section A 113.1 of the standards issued by the American National Standards institute and to be installed by elevator mechanics licensed under Chapter 448H, Hawaii Revised Statutes.

Your Committee agrees that rules covering the manufacture, installation, and operation of mechanized parking garage elevators should be adopted by the department of labor and industrial relations to further public, as well as occupational, safety.

Your Committee on Consumer Protection concurs with the intent and purpose of **H. R. No. 295** and recommends that it be adopted.

Signed by all members of the Committee except Representative Roehrig and Uechi.

SCRep. No. 655-74 Water, Land Use and Development on S. C. R. No. 28

The purpose of this Senate Concurrent Resolution is to request the City and County of Honolulu to take immediate and decisive action in developing the Kawaiinui regional park, including the 260 acre parcel adjacent to the swamp.

This park is needed for flood control, open space and recreational purposes, and will also be of value for educational purposes and as a wild life sanctuary for endangered Hawaiian waterfowl species.

Your Committee notes that while the City owns the proposed park lands, including the swamp, 260 acres adjacent to the parcel are in planning stages for commercial development, threatening the implementation of the regional park proposals. Your Committee believes that the park will be in the best interest of the people of this State.

Your Committee on Water, Land Use and Development concurs with the intent and purpose of **S. C. R. No. 28** and recommends its adoption.

Signed by all members of the Committee except Representatives Iha and Wedemeyer.

SCRep. No. 656-74 Water, Land Use and Development on S. B. No. 2012-74

The purpose of this bill is to appropriate the sum of \$1,000,000 out of the general obligation bond funds of the State of Hawaii for the planning, development, construction, equipment and refurbishing of recreational parks, facilities and equipment throughout the State.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **S. B. No. 2012-74, S. D. 1** and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Iha, Kato, Roehrig and Wedemeyer.

SCRep. No. 657-74 Water, Land Use and Development on S. B. No. 1621-74

The purpose of this bill is to extend the lapse date for the planning and development appropriation for Kauai as established under Act 82, Session Laws of Hawaii 1973.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **S. B. No. 1621-74** and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Iha, Kato, Roehrig and Wedemeyer.

SCRep. No. 658-74 Water, Land Use and Development on S. B. No. 1409-74

The purpose of this bill is to add to the duties of the Hawaii Research Center by providing that the Center will serve as a research arm for the Commission on Manpower and Full Employment, and to provide for its involvement in the development and acquisition of models, techniques and other tools, and capability for the effective monitoring, measuring and for casting of crucial aspects of Hawaii's socio-economic-environmental system. The appointment of the Director of the Center shall not be subject to chapters 76 and 77.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **S. B. No. 1409-74, S. D. 2**, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Iha, Kato and Wedemeyer.

SCRep. No. 659-74 (Majority) Water, Land Use and Development on S. B. No. 1408-74

The purpose of this bill is to establish the position of research and development coordinator in the office of the governor. Your Committee

concurs with the findings and declarations of necessity under section 1 of the bill.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **S. B. No. 1408-74, S. D. 1**, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Iha, Kato, King and Wedemeyer.

Representative W. K. Chong did not concur.

SCRep. No. 660-74 Water, Land Use and Development on S. B. No. 878

The purpose of this bill is to provide for the conceptual planning, coordination, development, land acquisition, construction and implementation for a statewide trail and access system.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **S. B. No. 878, S. D. 2**, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Iha, Kato and Wedemeyer.

SCRep. No. 661-74 Federal, State and County Relations on S. C. R. No. 3

The purpose of this Resolution is to request the federal governmental agencies operating in the State of Hawaii to cooperate with the State and its counties in the formulation and implementation of programs having an impact on the environment so that they are in consonance with the State's environmental goals, policies and guidelines.

Your Committee on Federal, State and County Relations concurs with the intent and purpose of **S. C. R. No. 3, S. D. 1, H. D. 1** and recommends that it be adopted.

Signed by all members of the Committee except Representative Suwa.

SCRep. No. 662-74 Housing on S. B. No. 1703-74

The purpose of this bill is to exempt the gross proceeds received by contractors for low and moderate income multi-unit residential buildings developed, owned, and operated by persons, corporations or associations. The Hawaii Housing Authority will be the agency that will define low and moderate income housing and will certify developments that meet that definition.

Your Committee on Housing is in accord with the intent and purpose of **S. B. No. 1703-74, S. D. 1** and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Uechi.

SCRep. No. 663-74 Higher Education on S. B. No. 323

The purpose of this bill is to alter the tuition differential between resident and non-resident students at the University of Hawaii to provide that the tuition rate for non-resident students at all campuses shall be not less than two times the tuition rate charged for undergraduate resident students at the Manoa Campus.

In reviewing the State's policy regarding non-resident fees, your Committee has considered several factors:

A. The non-resident differential policy affects less than 2,000 students with the University system, and thus has little impact on the total State realization from University tuition.

B. The national tuition differential policy for non-residents has dropped, decreasing from 3.5 in 1969 to about 2.6 in 1973.

C. Since 1969, the University of Hawaii has developed academic excellence in several fields wherein the contribution of mainland and foreign students would strengthen the quality of educational opportunities of resident students.

The major factors collectively and basically alter the environment in which the policy relating to an out-of-state tuition differential was first made. **House Standing Committee Report No. 78**, 1969, stated that "non-resident tuition differential . . . will help to offset a portion of the rising cost of higher education". Yet, many people were also concerned that too many students, particularly non-residents, were trying to get into the University of Hawaii. The non-resident tuition was thought to be the proper mechanism by which the influx of non-resident admission could be controlled. However, the main factor in controlling non-resident admissions has not been the tuition differential, but the University's Control Growth Policy which sets out-of-state quotas for each University of Hawaii Campus.

The Board of Regents' decision to increase the tuition at Manoa by 50% for the year beginning Fall, 1974 and another 50% for the year beginning 1975 may prove to be burdensome to non-residents and may influence our current enrollment mix of non-residents and residents. Accordingly, your Committee has recommended a differential multiplier of not less than two times the resident tuition rate, but in no event less than two times the undergraduate resident tuition rate charged at the Manoa campus.

Your Committee on Higher Education is in accord with the intent and purpose of **S. B. No. 323, S. D. 2** and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Iha.

SCRep. No. 664-74 Water, Land Use and Development on S. B. No. 2060-74

The purpose of this bill is to amend Section 171-11, HRS, to provide that the Board of Land and Natural Resources, with the approval of the Governor and the concurrence of the controlling agency, may dispose of any interest less than fee in lands set aside by the Governor, without the requirement of prior withdrawal, provided that: (1) the portion of the land being disposed of is not immediately needed for the use for which it was set aside; and (2) the proposed use will in no way interfere with the use of the remaining set-aside area for the purpose for which it was set forth.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **S. B. No. 2060-74, S. D. 1**, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Iha, Kato and Wedemeyer.

SCRep. No. 665-74 Water, Land Use and Development on S. B. No. 459

The purposes of this bill are two-fold. **First**, it accomplishes the following "housekeeping tasks:

1) Clears up ambiguities as to the exact corporate nature of the Hawaii Foundation for History and Humanities.

2) Clarifies the status of Foundation employees relative to Chapters 76 and 77.

3) Removes the following ex-officio members from the Board of Trustees—the President of the University of Hawaii, the Chairman of the Board of Land and Natural Resources, the Director of Planning and Economic Development, the Director of Finance, and the Attorney General.

Second, it makes explicit a programmatic responsibility which the Hawaii Foundation for History and the Humanities has already undertaken, which is the coordination and direction of the activities of the multi-cultural center in the field of ethnic history, research and study.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **S. B. No. 459, S. D. 2**, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Iha, Kato and Wedemeyer.

SCRep. No. 666-74 Water, Land Use and Development on S. B. No. 1673-74

The purpose of this bill is to amend Section 187-8, Hawaii Revised Statutes, as amended, by adding a provision that provides for the issuance

of uniforms to fish and game agents by the Department of Land and Natural Resources.

Fish and game agents of the Department include fish and wildlife enforcement officers. Uniforms for regular employees are provided for under provisions contained in collective bargaining contract agreements between the State and the Hawaii Government Employees' Association, AFSME, Local 152, AFL-CIO. However, there is no such provision for volunteer fish and wildlife enforcement officers, who service without monetary compensation except for injury and death benefits and who have been purchasing their own uniforms.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **S. B. No. 1673-74, S. D. 1**, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Iha, Kato and Wedemeyer.

SCRep. No. 667-74 Federal, State and County Relations on S. B. No. 1746-74

The purpose of this bill is to clarify and expand the provisions for issuance of duplicate county bonds or coupons that are lost, stolen, destroyed or defaced.

This bill would provide all counties with a uniform procedure for replacement or payment of any interest coupon or bond or both which has been lost, stolen, destroyed or defaced. At present, there is no provision in the law for replacement of lost or stolen bonds and coupons.

Your Committee on Federal, State and County Relations is in accord with the intent and purpose of **S. B. No. 1746-74, S. D. 1** and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Suwa.

SCRep. No. 668-74 Federal, State and County Relations on S. B. No. 1871-74

The purpose of this bill is to give each county the power to adopt ordinances regulating noise, smoke, dust, vibration or odors which constitute a public nuisance.

There are variations in conditions among the counties so that legislation befitting one county may not necessarily cure a situation in another county. This bill would allow the regulation of certain public nuisances by each county by ordinance tailored to meet its individual needs and circumstances.

Your Committee on Federal, State and County Relations is in accord with the intent and purpose of **S. B. No. 1871-74, S. D. 1**, and recommends that

it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Suwa.

SCRep. No. 669-74 Public Health and Welfare on S. B. No. 599

The purpose of this bill, as amended, is to provide that in determining the needs of an applicant for medical assistance, the department of social services and housing shall disregard \$1,500 in liquid assets for single persons and \$2,250 in liquid assets for families with two or more persons. Liquid assets include cash surrender value of life insurance policies.

Your Committee found that **S. B. No. 599, S. D. 2** established a maximum limit of \$1,000 of the cash surrender value of any life insurance policy owned by an applicant and that such disregarded amounts were established to enable medical assistance only applicants to keep life insurance policies for their own emotional security. However, your Committee also found that to provide such an exception for life insurance only would discriminate against those with an equal amount in their savings or other assets.

The current department regulation limits a single person to retain only \$300, a couple \$400, and three or more in the household \$500 of savings and other assets in order to be eligible for medical assistance. Consequently, an applicant for medical assistance with \$1,000 in savings would need to spend down his savings while another person applying for medical assistance with a life insurance policy having a cash surrender value of \$1,000 need not reduce this amount.

In addition, your Committee found that those aged, blind and disabled receiving supplemental security income benefits currently can have liquid assets of \$1,500 for singles and \$2,200 for couples. However, when these supplemental security income recipients apply for medical assistance from the department of social services and housing, they would need to reduce such assets in accordance to the amounts required. This places an undue hardship on the aged, blind, and disabled. Therefore, in order to eliminate favoring those with life insurance and to make the department's regulation consistent with supplemental security income guidelines, your committee amended the bill to include the following provision relating to medical assistance:

(b) In determining the needs of an applicant for medical assistance only, the department shall disregard:

(1) A total of \$1,500 in liquid assets, including the cash surrender value of life insurance policies owned by a single person.

(2) A total of \$2,250 in liquid assets, including the cash surrender value of life insurance policies

owned by families of two or more persons.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of **S. B. 599, S. D. 2** as amended herein and recommends that it pass Second Reading in the form attached hereto as **S. B. 599, S. D. 2, H. D. 1** and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 670-74 Higher Education on H. C. R. No. 58

The purpose of this Concurrent Resolution is to request the Honolulu Stadium, Ltd. to refrain from committing the Honolulu Stadium site for any purpose other than a recreational park complex until the situation can be satisfactorily resolved through legislation, negotiation, or some other means available.

Your Committee finds that more than twenty-two civic and public organizations in the surrounding community about the Honolulu Stadium and the community at large have adopted formal positions supporting the recreational park complex proposal presently pending in the legislature.

Clarence F. Chang, president of Honolulu Stadium, Ltd., also expressed in a previous hearing on a similar legislation, that the Board of Directors of the Honolulu Stadium, Ltd. have "no objections should the state government initiate eminent domain proceedings to acquire the Honolulu Stadium site for public use provided that it receives fair market value for the condemned property based upon its highest and best use."

Your Committee upon consideration of this Concurrent Resolution recognizes that public support for the conversion of the present Stadium site to a recreational park complex is overwhelming, and that the Honolulu Stadium, Ltd. should be in compliance with the needs of the community.

Your Committee on Higher Education concurs with the intent and purpose of **H. C. R. No. 58** and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Iha.

SCRep. No. 671-74 Education on H. R. No. 420

The purpose of this Resolution is to request the Department of Education to examine the feasibility of having the various branches of the United States Armed Forces be responsible for developing and maintaining educational systems for their military dependents.

Military dependents attend public schools in Hawaii but, because of the various exemptions from State taxation that military personnel receive, military personnel do not bear their proportionate burden of educational costs. If the

military were required to fund and establish its own educational system, this would result in lower costs and the freeing of teachers for the State public school system.

Your Committee on Education concurs with the intent and purpose of **H. R. No. 420** and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Uechi.

SCRep. No. 672-74 Housing on S. B. No. 10

The purpose of this bill is to amend Chapter 359G to facilitate the State's low and moderate income housing development programs. The changes include technical amendments to the law regarding the method and number of commissioners of the Hawaii Housing Authority, amendments to allow the authority to issue project notes in addition to general obligation bond, changes in the restrictions on dwelling unit transfers, and a new section which would establish a home mortgage assistance program.

Your Committee upon consideration of this bill recommends the following amendments:

1. That this bill be amended to allow the staff reserve fund to be financed by the proceeds deposited in the dwelling unit revolving fund.

2. That the first buy-back period provided by this bill be increased from five to ten years, during which time the owner of a State-assisted unit may receive his original cost, plus improvements made, plus 7% return on his equity upon resale. The second buy-back period will cover the unit from the 11th to 20th year after the initial sale. The resale price would be computed at the greater of the original cost, plus improvements, plus a 7% return on the owner's equity or the fair market value of the unit, less any State subsidies.

3. That the Farmers Home Administration be exempted from the buy-back restrictions per Section 359G-9 and to allow the authority to promulgate rules and regulations to effectuate this section.

4. That the three-year residency requirement in Section 359G-12(d) be deleted.

5. That a person who has had a previous loan from the proposed housing opportunity allowance program be excluded from further participation in the same.

6. That the proposed housing opportunity allowance program be further amended to allow an eligible borrower, as therein defined, to repay his loan to the authority over a period of five years at the interest rate determined pursuant to Section 359G-7.

7. That the proposed section relating to the

independent development of projects be amended so as not to exclude any counties from this section's intent. Further, your Committee recommends an amendment to allow the sale of all units acquired under this section in leasehold as well as in fee simple.

8. That the proposed section on the independent development of projects be further amended to stipulate that a project developed thereunder shall not override State land use districts and county general plan designations.

9. A new section be added which would require consideration of human needs and related necessities of prospective tenants for all projects developed under Chapter 359.

10. A new section be added to allow the Hawaii Housing Authority to make pre-construction loans before or after subdivision approval to qualified borrowers to cover the costs of options, agreements of sale, and down payments. Your Committee feels that the proper implementation of housing programs will be facilitated by this new section.

11. A new section be added to allow the bonds issued by the authority under Chapter 356 to bear an interest rate not exceeding eight percent a year. This section pertains to the twelve months subsequent to the approval of this bill. This provision will not affect State programs but will affect only the federally-aided low rent program.

12. To amend the proposed **Commercial Uses** section to apply to commercial, industrial and other uses. Your Committee feels that by broadening the section, there will be a greater flexibility of the housing programs in terms of choosing locations and development thereof.

13. Section 359G-11.1 be amended to allow the authority to make interim construction loans to non-profit corporations. This section is further amended to allow these corporations to receive such construction loans if such projects qualify for any federal or State low income housing program.

14. That Section 356-29.5 be repealed.

15. Where public land is exchanged for private land which is classified for intensive agricultural use, such exchange shall be based on appraisal made by disinterested appraisers rather than upon a determination of the productivity of the private agricultural lands. The State will not be required to pay for any difference in value between the private and public lands exchanged, however the private owner shall be required to pay such difference in value. No such exchange shall be allowed where the public land exceeds the value of the private land by 120%.

Other non-substantive style and technical changes were also made for purposes of clarity.

Your Committee on housing is in accord with

the intent and purpose of **S. B. No. 10, S. D. 1, H. D. 2**, as amended herein, and recommends that it pass Third Reading in the form attached hereto as **S. B. No. 10, S. D. 1, H. D. 3**.

Signed by all members of the Committee except Representative Uechi.

SCRep. No. 673-74 Agriculture on S. B. No. 1245

The purpose of this bill is to make public lands available to our citizens which would be used for agricultural recreation.

Your Committee notes that, given proper resources, opportunities, and motivation, older persons can make a valuable contribution to society. The department of land and natural resources has reported that there are vacant public lands that can be made available for gardening purposes of our people.

Your Committee has provided the following sums of money for the purposes included in the bill: \$50,000 for the purchase of minor equipment and supplies for farm and agricultural use; and \$250,000 of general obligation bond money for fencing, facilities, and preparation of the land for agricultural use and improvements.

Your Committee on Agriculture is in accord with the intent and purpose of **S. B. No. 1245, S. D. 1**, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hapai III.

SCRep. No. 674-74 Agriculture on S. B. No. 1184

The purpose of this bill is to allow owners of property in an agricultural district to dedicate a portion or portions of their land for landscaping, open space, public recreation and similar uses, similar to that which existing law allows of property owners in urban districts, which are exempted in determining and assessing the value thereof.

Sec. 246-34, Hawaii Revised Statutes, which this bill amends by the aforesaid addition, presently permits the owner of taxable real property in an **urban district** (only) to dedicate a portion or portions thereof, subject to approval by the director of taxation, for the aforesaid purposes, and subject to zoning and related restrictions. The director must find that the public benefit is at least equal to the value of the real property taxes, and his approval of the petition constitutes a forfeiture by the owner of any right to change the use of the land for a period of ten years.

This bill would provide the same dedication alternatives to owners of agricultural property, as to which the same restrictions apply. Your Committee notes that, under the rules and regulations promulgated by the department of taxation pursuant to sec. 246-34(g), the director has

established standards governing area and for the improvement and maintenance thereof; and it is believed that these requirements which also determine approval or disapproval of the petition for dedication provide adequate safeguards against potential abuse.

Your Committee on Agriculture is in accord with the intent and purpose of **S. B. No. 1184, S. D. 2, H. D. 1**, and further recommends its referral to the Committee on Finance for further consideration.

Signed by all members of the Committee except Representative Hapai III.

SCRep. No. 675-74 Water, Land Use and Development on **S. B. No. 964**

The purpose of this bill is to establish a Park Ranger Corps within the Department of Land and Natural Resources. The Park Ranger Corps is needed to protect and conserve recreational, historical, and archaeological areas and to provide users with information regarding the proper and safe use of these areas.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **S. B. No. 964, S. D. 1**, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Iha, Lee, Lunasco, Wedemeyer and Medeiros.

SCRep. No. 676-74 Transportation on **S. B. No. 1790-74**

The purpose of this bill is to establish a special fund to be administered by the Judiciary Department to meet the costs of driver education and training programs.

Your Committee believes that such a program would be a fair and effective way to accumulate funds to support driver improvement programs. The penalty assessment of \$1.00 provided in the bill would be paid by persons either upon conviction of traffic violations or upon forfeiture of bail for such offenses. The penalty assessment does not apply to parking, registration or pedestrian violations.

It is the intent of your Committee that the program provided for in this bill does not duplicate other State programs relating to driver education and training. Instead, it is the expressed recommendation of your Committee that the program be directed to assist those offenders contributing to the fund and the safety of the general public.

Your Committee on Transportation is in accord with the intent and purpose of **S. B. No. 1790-74, S. D. 1**, and recommends that it pass Second Reading and be placed on the calendar

for Third Reading.

Signed by all members of the Committee.

Representative Leopold did not concur.

SCRep. No. 677-74 Water, Land Use and Development on **S. B. No. 2199-74**

The purpose of this bill is to clarify the provisions of Section 171-36, Hawaii Revised Statutes, so that the Board of Land and Natural Resources may from time to time "during the life" of any agricultural lease, modify or eliminate any of the restrictions imposed by subparagraphs (1) through (9) of the section, if such modifications are necessary to qualify the lease for mortgage lending or guaranty purposes.

This bill also adds a proviso that authorizes the same modification or elimination of restrictions to the extent necessary to qualify the lease "for any State loan, private loan guaranteed by the State, or any combination of State and private loans, provided that any participating lending agency shall be qualified to do business in Hawaii."

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **S. B. No. 2199-74, S. D. 2** and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Iha and Wedemeyer.

SCRep. No. 678-74 Finance on **S. B. No. 1973-74**

The purpose of this bill is to amend Section 8-5, Hawaii Revised Statutes, by clarifying the statute creating the Kamehameha Day Celebration Commission.

The bill adds the title "King" to all references to King Kamehameha. It revises and up-dates the names of the organizations represented on the Commission, and adds one new organization, the Hui Kukakuka. It requires that commissioners representing the Islands be residents of those islands. It provides that appropriated funds shall be disbursed on warrants of the State Comptroller, based on vouchers approved by the Chairman of the Commission. It further provides that the Commission shall coordinate all activities relative to the celebration of King Kamehameha Day.

Your Committee on Finance is in accord with the intent and purpose of **S. B. No. 1973-74, S. D. 1**, and recommends that it pass second reading and be placed on the calendar for third reading.

Signed by all members of the Committee.

SCRep. No. 679-74 Finance on **S. B. No. 1860-74**

The purpose of this bill is to provide for tax

credits under a single schedule.

Your Committee believes that the single schedule will facilitate the claiming for tax credits. Briefly, for each income bracket, the taxpayer would simply multiply the number of qualified exemptions by the per capita qualified exemption tax credit amount. The new excise tax credit is scaled to fill similar needs of the various tax credits repealed by this bill.

Your Committee has deleted the following items from the proposed schedule:

" 8,000	" 9,000	18
9,000	" 10,000	16
10,000	" 11,000	14
11,000	" 12,000	12
12,000	" 13,000	10
13,000	" 14,000	8
14,000	" 15,000	6"

Your Committee on Finance is in accord with the intent and purpose of S. B. No. 1860-74, S. D. 1, as amended herein, and recommends that it pass second reading in the form attached hereto as S. B. No. 1860-74, S. D. 1, H. D. 1, and be placed on the calendar for third reading.

Signed by all members of the Committee.

SCRep. No. 680-74 Finance on S. B. No. 2095-74

The purpose of this bill is to provide full flexibility on the part of the City and County of Honolulu to proceed with critically needed public improvements in the Waikiki-Diamond Head area. This bill makes it permissive rather than mandatory that the City and County of Honolulu initiate an improvement district or several improvement districts for Waikiki or any portion of Waikiki. The bill leaves the determination of the percentage of the costs to be borne by the property owners to the city and county. Accordingly, the bill deletes the one-third, two-third requirement set forth earlier. Since the bill permits implementation of improvements without having to designate the area as an improvement district, assessments are no longer necessary unless improvement districts are created by the city and county. As a safeguard, the bill retains the right of the Governor to expend sums appropriated if he deems it necessary and in the public interest.

Your Committee on Finance is in accord with the intent and purpose of S. B. No. 2095-74, S. D. 1, and recommends that it pass second reading and be placed on the calendar for third reading.

Signed by all members of the Committee.

SCRep. No. 681-74 Finance on S. B. No. 2067-74

The purpose of this bill is to provide for the utilization of general fund money to support a special fund entitled "Correctional Industries Account" when this account temporarily fails to meet the self-sustaining aspect of Correctional In-

dustry.

The bill will make it possible for the Governor to use general fund money to assist the Correctional Industry activity at the Hawaii State Prison to maintain on-going operations despite any unanticipated and unscheduled reduction in production caused by riots, strikes, or security problems within a correctional facility.

Your Committee on Finance is in accord with the intent and purpose of S. B. No. 2067-74, S. D. 1, and recommends that it pass second reading and be placed on the calendar for third reading.

Signed by all members of the Committee.

SCRep. No. 682-74 Public Health and Welfare on S. B. No. 1747-74

The purpose of this bill is to require hospitals licensed by the State to offer a uterine cytologic examination for cancer to every female in-patient 20 years of age or over unless considered contraindicated by the attending physician or unless the examination has been performed within the previous year. The bill provides for the woman to refuse the test on the counsel of her physician or on her own judgment and requires the hospital to maintain records to show either the results of the test, or that it was not applicable or that it was refused.

Your Committee notes that the Hawaii Division of the American Cancer Society and the Hawaii Section of the American College of Obstetricians and Gynecologists advise that pap smear tests can detect malignancy of the cervix before symptoms occur and that the neoplasms are best treated at this early stage with excellent prognosis. It is the belief of professionals in this specialty that deaths from cervical/uterine cancer could be eliminated if every woman would take the simple detection test. While this bill will not make such tests mandatory, by encouraging that they be performed it is expected that many lives will be saved.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of S. B. No. 1747-74 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 683-74 Public Health and Welfare on S. B. No. 1658-74

The purpose of this Bill is to establish the means and procedures for mandatory planning for health care facilities and services in the State so as to insure the proper and effective development of such facilities and services to meet the health care needs of the people of the State in an orderly and economical manner.

Your Committee believes that the unnecessary duplication of health facilities and services is one

of the major factors in escalating health cost. This is due to unneeded capital expenditures and resultant increased costs of maintenance, personnel, training, and staff support.

The dissipation of health services resulting from duplication of health facilities and services affects not only costs, but also quality for specialized services and facilities. To maintain their excellence, a certain level of utilization is required. An active comprehensive health planning program encourages consolidation and sharing of these services.

Such a State program, with the certificate of need concept provided in this Bill, is a necessary complement to existing Federal certificate of need legislation. The Federal program applies only to programs and services which receive Federal support. Without a State program, this can result in a discriminatory health system. A health service could presently be developed which excludes service to the poor, near poor, aged, and other people covered through Federal reimbursement programs. A health service can operate most profitably if it excludes care for people who are covered by Federal programs of marginal reimbursement.

In order to accomplish its purpose, this Bill establishes a State Comprehensive Health Planning Agency within the Department of Health for administrative purposes. This Agency would implement and administer all State health planning responsibilities. The Bill also establishes the State Advisory Council for Comprehensive Health Planning, a majority of its members to be consumers of health care, to serve in an advisory capacity to the Governor, the Department of Health and the Agency on all matters of comprehensive health planning including determinations on the issuance, approval, or denial of certificates of need. This Bill also provides for a Review Panel, appointed and established by the Advisory Council, to study and investigate applications for certificates of need under applicable Federal or State law.

As a requisite to participation in the Federal certificate of need program, the present State Advisory Council on Comprehensive Health Planning has adopted a Procedure Manual for review and evaluation of proposed health care capital expenditures covered by P. L. 92-603. A study of this manual has convinced your Committee that the proposed Agency and Council, to be given statutory status by this Bill, will be fully capable of performing similar functions on the State level.

Criticism of certificate of need programs in general has been made on the grounds that government control of health care programs may seriously curtail free enterprise aspects of hospital expansion and health care delivery, that control may strip private hospitals of their incentive to improve the nature of services provided. Your Committee is not convinced of the validity of this

argument. Because the program proposed in this Bill is based on community need, your Committee believes that health care providers with innovative proposals will receive approval for the development of new programs to the benefit of the residents of the State.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of **S. B. 1658-74, S. D. 1** and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 684-74 Public Health and Welfare on S. B. No. 2125-74

The purpose of this bill is to prohibit any licensed or authorized hospital or medical facility from refusing any person admission, treatment, care or the rendering of other hospital or medical services for which it is licensed or authorized except as provided by rules and regulations of the Department of Health. The bill further provides for a penalty of not more than \$1,000 for a violation of this section.

It is your Committee's understanding that certain individuals have been refused medical services by various hospitals and medical facilities for other than legitimate medical reasons. Therefore, the patient's normal movement through the chain of medical services in the community has been disrupted; patients have been forced to be hospitalized far from their homes; higher costs for the patients or social service agencies have resulted; and hospital beds planned for other classes of medical care have been unnecessarily encumbered.

Your Committee on Public Health and Welfare is in accord with the intent and purpose of **S. B. 2125-74, S. D. 1** and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 685-74 Judiciary and Corrections on S. B. No. 965

The purpose of this bill is to give the Department of Land and Natural Resources the power to enforce the law to protect historical sites and objects, and public and private property used for recreational purposes. It clarifies the definition of the State Park System to which rules and enforcement apply.

Instances have shown where private property was either destroyed or damaged, archaeological sites raided, and other natural resources damaged by a small minority of the public. Your Committee believes that the bill will discourage vandalism and minimize the adverse effects of some members of the public. As stated by the Sierra Club, "It would be quite unfortunate to allow the actions of an

irresponsible minority to jeopardize the recreational opportunities of the majority.”

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **S. B. No. 965, S. D. 1**, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 686-74 Judiciary and Corrections on **S. B. No. 1791-74**

This bill was submitted by the Judiciary Department as a revision of cost schedules that have not been revised since 1957. The items of the cost schedules are reclassified for greater clarity. Some items are deleted, but others are added and increases are made to put the cost schedules on a more realistic basis.

Sections 1, 3, 4, and 9 amend sections 91-14, 232-22, 386-88, and 664-8, Hawaii Revised Statutes, relating to appeals to the Supreme Court, so as to make applicable to these appeals a \$30 fee for filing a notice of appeal to the Supreme Court. This same fee appears in sections 6 and 7 of the bill as a new fee in the District Court and Circuit Court cost schedules. It takes into consideration the work of preparing the record on appeal. There is no increase in the fee for docketing the appeal in the Supreme Court, which appears in the Supreme Court cost schedule, section 8 of the bill.

Section 2 amends section 92-21, Hawaii Revised Statutes, for purposes of clarification as to the relation between this and other fee schedules contained in the Statutes.

Section 5 deletes the last sentence of section 607-1, Hawaii Revised Statutes, so as to empower the Supreme Court to revise from time to time all items of costs and fees provided in Chapter 607, including those for the District Court. There is no reason to differentiate between the various courts since the enactment of Act 188, L. 1970.

Section 6 amends subsections (a) and (b) of section 607-4, Hawaii Revised Statutes, which relate to the District Court cost schedule. This schedule has not been revised since the District Court became a court of record.

Section 7 amends section 607-5, Hawaii Revised Statutes, which relates to the Circuit Court cost schedule. The purpose has been stated in the first part of this report.

Section 8 amends section 607-6, Hawaii Revised Statutes, relating to the Supreme Court cost schedule. The changes conform to those made in the Circuit Court cost schedule by section 7 of the bill.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **S. B.**

No. 1791-74, S. D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 687-74 Judiciary and Corrections on **S. B. No. 1734-74**

The purpose of this bill is to amend Section 709-904 of the Penal Code to include persons who are not parents, guardians or others charged with the care or custody of a minor under the provisions of this section.

Your Committee heard testimony from the Police Department of the City and County of Honolulu to the effect that the present statute fails to provide for prosecution of persons who harbor runaway juveniles and assist them in any illegal activities. The rewording of the statute as proposed by this bill would allow such prosecutions.

Your Committee would like to emphasize that in the approval of this bill, there is no intent on their part to interfere with the practices and beliefs of the Christian Scientist population of the State of Hawaii. The Committee respects the statements of belief as presented in testimony by the Christian Science Committee and has taken their concerns into consideration.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **S. B. No. 1734-74** and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 688-74 Judiciary and Corrections on **S. B. No. 463**

The purpose of this bill is to amend Chapter 464, Hawaii Revised Statutes, in order to upgrade the requirements for registration as a professional land surveyor.

Under present law, the requirements for registration of a professional land surveyor are (1) a course in land surveying approved by the board of registration of professional engineers, architects, and surveyors; three years of full-time experience in land surveying, or part-time experience as approved by the board; and successful passage of a written or oral examination, or (2) twelve years of full-time experience in land surveying satisfactory to the board, or part-time experience as approved by the board; and successful passage of a written or oral examination, or both.

The bill would upgrade these requirements to (1) graduation from a school or college approved by the board with a major in geo-science, civil engineering, or general engineering; three years of full-time experience in land surveying satisfactory

to the board; and successful passage of a professional written or oral examination, or both, or (2) graduation from a community college approved by the board with the completion of a civil engineering curriculum of two or more years; seven years of experience in land surveying satisfactory to the board; and successful passage of a written qualifying examination, and a professional written or oral examination or both, designed to test his knowledge, skill and competency in land surveying, or (3) eleven years of full-time experience satisfactory to the board; and successful passage of a written examination and a professional written or oral examination, or both.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **S. B. No. 463, S. D. 1**, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 689-74 Judiciary and Corrections on **S. B. No. 1487-74**

The purpose of this bill is to amend applicable provisions of the Penal Code relating to physical and mental examinations of defendants to provide for appointment by the courts of certified clinical psychologists, in addition to physicians and psychiatrists, to examine and report upon the physical and mental condition of defendants.

Upon consideration of this bill, your Committee has discovered that the measure as drafted would allow an examining panel to be composed of only one physician and two certified clinical psychologists. This would be inappropriate as the examinations are for the diagnosis of physical as well as mental disorders and psychologists, unlike psychiatrists, are not qualified in the diagnosis or treatment of physical disorders. Your Committee, therefore, has amended the bill to provide that, in the case of three member panels, no more than one examiner may be a certified clinical psychologist and at least one examiner must be a psychiatrist. In the case of presentence examinations, where the court determines the number of examiners, if there is a single examiner, he must be a psychiatrist; if there is more than one examiner, at least one must be a psychiatrist and not more than one may be a certified clinical psychologist.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **S. B. No. 1487-74, S. D. 1**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **S. B. No. 1487-74, S. D. 1, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 690-74 Judiciary and Corrections on **S. B. No. 1832-74**

The purpose of this bill is to clarify the penalties relating to the ownership or possession of firearms by a fugitive from justice or by a person convicted of certain crimes. Its intent is to clarify penalties provided for under Section 134-6 and Section 134-7, the first being a misdemeanor and the other a felony.

The City and County of Honolulu Police Department has informed your Committee of the necessity to make this clarification to avoid confusion in interpretation of the law.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **S. B. No. 1832-74, S. D. 1**, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 691-74 Judiciary and Corrections on **S. B. No. 1731-74**

The purpose of this bill is to reclassify criminal coercion from a class C felony to a class A felony when firearms, explosives or any dangerous weapon is used to instill fear in another person to compel him to commit an act or refrain from acting against his will.

Your Committee finds that criminal coercion cases have increased over the past years. A number of cases have been reported where monetary and other demands have been made on individuals and businesses and explosives and other dangerous weapons have been used to instill fear in order to enforce the demands. Your Committee recognizes the gravity of such activities and realizes the necessity of this bill.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **S. B. No. 1731-74** and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 692-74 Judiciary and Corrections on **S. B. No. 2047-74**

The purpose of this bill is to amend Section 701-108 of the Penal Code by amending the time limit for commencing an action for violations from one to two years. This change will recognize the unusual circumstances surrounding parking violations.

Your Committee understands that experience has shown that owners of motor vehicles often have valid defenses to parking citations. Accordingly, the Traffic Violations Bureau has followed the policy of giving vehicle owners sufficient time to clear those violations before taking court action. However, the one year time limitation

severely restricts the procedural flexibility of the Traffic Violations Bureau in processing parking violations. Because of the narrowing of the time period, the processing of citations has been accelerated at the expense of the present courtesies extended by the Bureau. The Administrative Director of the Courts and the Office of the Attorney General agree that the two-year limitation would afford time to attack the growing backlog of citations, extend the courtesy of delinquent notices to motorists, and use the sanction against licensing of vehicles.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of S. B. No. 2047-74 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 693-74 Judiciary and Corrections on S. B. No. 2052-74

The purpose of this bill is to restructure the State's effort to combat organized crime in Hawaii to ensure coordination, cooperation and continuity among the law enforcement agencies of the State.

Despite the unrelenting efforts of law enforcement agencies, organized crime continues to threaten the peace and security of our community. Although there is a better understanding of the problem today as compared to four or five years ago, the true dimensions of organized crime are still unknown. Thus, it is imperative that the State continue to mount new and innovative methods to contain and reduce the threat posed by a statewide criminal network.

The organized crime unit as presently constituted has proven to be ineffectual. A federal evaluation of the unit cited three problem areas: (1) the improper selection of areas of work concentration, (2) the failure to establish and confirm clear-cut priorities for the development of the unit's role and (3) the inability to establish effective channels of communication with the county police departments and their respective intelligence units.

In previous hearings, the chiefs of police have supported a State unit with specialized personnel of a supportive character to aid them. However, they were equally concerned that such a unit does not duplicate efforts within traditional police functions.

To meet these problems and concerns, this bill provides for an organized crime control council to govern the activities of the State unit and to select its personnel. The council shall consist of the chiefs of police of each county and the attorney general. By bringing together all of the law enforcement personnel, the council can insure the proper selection of work concentration for the State unit.

Duplication of efforts will be minimized by the interchange of ideas and information within the council. The State unit's priorities can be developed in concert with county priorities. The cooperation and communication necessary to sustain a successful attack on organized crime is assured through the active participation of the top law enforcement officials in directing the affairs of the State unit.

Your Committee has amended this bill to provide for two temporary positions in the Department of the Attorney General into which the present personnel of the organized crime unit shall be transferred without loss of salary. Funds have been appropriated to the Department of the Attorney General for this purpose. Said positions shall be abolished and said funds shall be lapsed on December 31, 1974. This will permit the present personnel sufficient lead time to find other employment, either in government or in private industry.

It is also intended that the organized crime council move expeditiously to set up the office of organized crime control and to obtain federal funds to supplement State funds already appropriated by Act 218, Session Laws of Hawaii 1973.

Your Committee believes that these amendments will allow the State to mount an effective coordinated attack on organized crime in Hawaii which is consistent with the existing law enforcement structure.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of S. B. No. 2052-74, S. D. 1, as amended herein and recommends that it pass Second Reading in the form attached hereto as S. B. No. 2052-74, S. D. 1, H. D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Wedemeyer and Medeiros.

Representatives Cobb, Lee and Wong did not concur.

SCRep. No. 694-74 Judiciary and Corrections on S. B. No. 887

The purpose of this bill is to require insurance companies to pay reasonable attorney's fees, the costs of suit, and treble damages when they have denied their liability under an insurance policy and, consequently, have compelled the policyholder, a beneficiary under a policy, or a person standing in place of either the policyholder or the beneficiary, to resort to the courts to establish his claim to the policy benefits.

Upon consideration of this measure, your Committee has deleted the provision providing for treble damages. Your Committee believes that an insurer who in good faith contests its liability under an insurance policy should not be subjected

to treble damages.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **S. B. No. 887**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **S. B. No. 887, H. D. 1** and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 695-74 Agriculture on S. B. No. 1364

The purpose of this bill is to amend Section 486-9, Hawaii Revised Statutes, by adding thereto a new subsection to provide the State director of weights and measures specific power to promulgate regulations respecting standard methods of ingredient, nutritional, cholesterol, fat, fatty acids, dietary, vitamins and minerals, spices and flavors, and imitation foods labeling consistent with Federal requirements.

Your Committee is cognizant of the potential impact of labeling requirements in this area now required, or about to become required, through Federal rules and regulations, and accordingly believes that local labeling, so far as is practicable, should be consistent with Federal requirements so as to minimize any inconsistencies and reduce potential economic losses to local industry.

Your Committee finds that this bill will provide the necessary authority to allow for the local promulgation of the labeling law changes as they become effective at Federal level.

Your Committee has amended this bill to retain the existing statutory language of Section 486-9 except as supplemented to provide specifically that the director may promulgate regulations respecting standard methods of ingredient, nutritional, cholesterol, fat, fatty acids, dietary, vitamins and minerals, spices and flavors, and imitation foods labeling consistent with Federal requirements. In view of the possibility that the director may propose a substantial revision of this chapter in the near future, we do not believe that an overhaul of the section's language is appropriate at this time.

Your Committee on Agriculture is in accord with the intent and purpose of **S. B. No. 1364, S. D. 1**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **S. B. No. 1364, S. D. 1, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Uechi, Kihano, Medina and Aki.

SCRep. No. 696-74 Agriculture on S. B. No. 1963-74

The purpose of this bill is to amend Chapter 152, Hawaii Revised Statutes, by adding a new

section to authorize the entry of private property by State or county workers in a gorse control program.

Gorse is a thorny, noxious weed which covers approximately 15,000 acres of land in the Olinda district on Maui. The Gorse Control Project Committee received excellent cooperation from the Haleakala Ranch Company which occupies 11,500 acres of that infested area. The State owns about 2,500 acres. It is the remaining balance of approximately 1,000 acres belonging to homeowners, backyard ranchers, and vegetable crop farmers on small parcels of land to which this entry authorization is required.

It has been reported that gorse seeds carry for long distances and remain viable for 50 years. An all-out campaign to destroy this noxious weed from private and public lands is required to prevent its spread to other valuable land. The department of agriculture, county of Maui, and the department of social services and housing have entered into tentative agreement to conduct an effective gorse control program.

The bill further provides for access to gorse infested property through a court process.

Your Committee on Agriculture is in accord with the intent and purpose of **S. B. No. 1963-74, S. D. 2**, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Uechi and Hapai, III.

SCRep. No. 697-74 Finance on S. B. No. 1536-74

This bill proportions the available scholarships to full-time students in necessitous circumstances and to full-time or part-time students, who are well qualified, by a 85% to 15% ratio.

This bill also increases the total number of financial aid units (a financial aid unit is a State scholarship or tuition waiver) from nine percent to eleven percent of the total full-time undergraduate enrollment in the previous September for the 1974-75 school year, to increase again from ten percent to thirteen percent for the 1975-76 school year and thereafter.

The bill allows for the renewal of scholarships to recipients who maintain a satisfactory standard of scholarship and deportment and continue to demonstrate financial need. The board of regents is permitted to re-award any unused portion of a Hawaii State scholarship that was granted but not fully expended to a new recipient.

Your Committee has amended this bill as follows:

1. Deleted Section 304-4. There appears to be no amendment to this section.

2. Added a section relating to the striking of bracketed material and underscoring.

3. Renumbered the bill accordingly.

Your Committee on Finance is in accord with the intent and purpose of S. B. No. 1536-74, S. D. 1, H. D. 1, as amended herein, and recommends that it pass third reading in the form attached hereto as S. B. No. 1536-74, S. D. 1, H. D. 2.

Signed by all members of the Committee.

SCRep. No. 698-74 Judiciary and Corrections on S. B. No. 2215-74

The purpose of this bill is to amend certain terminology, procedures and laws of title 2, Hawaii Revised Statutes, relating to elections, in order that the lieutenant governor's office can administer elections more expeditiously.

Section 1 of the bill amends Chapter 11, Hawaii Revised Statutes, as follows:

(1) Section 11-15(1) is amended by deleting ", if any." This change makes it mandatory to have a social security number in order to register as a voter.

(2) The last paragraph of section 11-15 is amended by specifying that a candidate and his immediate family are not eligible to be designated as subordinates of the county clerk in all matters covered by section 11-15.

(3) Section 11-92 is amended to provide that the chief election officer shall issue a proclamation establishing the number and location of precincts in each representative district for all special elections. Further, the chief election officer shall notify the political parties and publish a notice of his intent in a newspaper of general circulation, no earlier than thirty days prior to the issuance of such proclamation.

(4) Section 11-173.5 is amended to provide that the deadline for filing a complaint in primary and special primary elections shall be not later than 4:30 P.M. on the sixth day following such election. Presently, the deadline is 4:30 P.M. on the seventh day following such election, which is a Saturday. As amended, the deadline will fall on a day when the courts are open.

Section 2 of the bill amends Chapter 12, Hawaii Revised Statutes, as follows:

(1) Section 12-4 is amended to provide that petitioners on the nomination papers of a candidate, must be eligible to vote for the candidate.

(2) Section 12-31 is amended to provide that the deadline for registering a party preference change is on the first preceding working day if the deadline falls on a Saturday, Sunday or holiday.

(3) A new section 12-42 is added to Chapter 12, that provides an unopposed candidate in any special election to be declared elected to the office for which he is a candidate.

Your Committee has amended Section 2 of S. B. No. 2215-74, S. D. 1, by deleting the proposed amendments to Section 12-6 relating to the time for filing nomination papers.

Section 3 of the bill amends Chapter 15, Hawaii Revised Statutes, as follows:

(1) Section 15-1 is amended to provide an absentee ballot to misdemeanants and pretrial detainees, as required by a Supreme Court ruling.

This section is also amended by adding a new section 15-1(c), allowing the chief election officer to determine whether any other voter, who is unable to appear at the polls on election day, shall be entitled to vote as provided in the rules and regulations of this chapter.

(2) Section 15-7 is amended by providing that only the county clerk may appoint deputy county clerks to handle absentee voting, and that the county clerk shall determine if there should be more than one absentee precinct in the county and the number of precinct officials in each precinct.

(3) Section 15-8 is amended to provide that absentee ballot not meeting the requirements of the law are "invalid," and that those absentee ballots marked INVALID shall be kept in the custody of the county clerks and disposed of as prescribed by law. This section is also amended by providing that absentee ballot shall be transported in sealed containers and under security to the counting center for counting.

Section 4 of the bill amends section 17-2, Hawaii Revised Statute, to provide that if a vacancy occurs in the representation of the State in the U.S. House of Representatives and the unexpired term is less than 180 days, the governor shall make an appointment to fill the unexpired term. Under present law, if the unexpired term exceeds 180 days, a special election to fill the vacancy must be held but no provision is made for filling an unexpired vacancy of less than 180 days. Section 17-2 is further amended to provide that pending a special election to fill a vacancy the governor shall make a temporary appointment to fill the vacancy until the election and qualification of the person elected to fill the vacancy. In both types of appointments, the appointee shall be a registered member of the same political party as the person he succeeds.

Section 5 of the bill amends Chapter 19, Hawaii Revised Statutes, as follows:

(1) Section 19-2 is repealed in entirety to conform this chapter to sections 1060 and 1061 of the Hawaii Penal Code.

(2) Section 19-6 is amended by adding a new subsection (14) making it a misdemeanor for any person to vote if he is not entitled to vote and for making false swearing in official matters.

(3) Section 19-7 is amended to conform the misdemeanor penalties of this chapter to sections 640 and 663 of the Hawaii Penal Code.

Your Committee on Judiciary and Corrections is in accord with **S. B. No. 2215-74, S. D. 1**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **S. B. No. 2215-74, S. D. 1, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 699-74 Judiciary and Corrections on S. B. No. 2065-74

The purpose of this bill is to amend Section 571-61(b) of the Hawaii Revised Statutes to include an additional situation in which the family court may terminate the parental rights in respect to any minor as to any legal parent.

Upon consideration of this measure, your Committee has amended the new item (6) to be added to read as follows:

"(6) Whose child has been removed from his physical custody pursuant to legally authorized judicial action under Section 571-11(2) and the family court finds that the parent is not able to provide, and will never be able to provide, the care necessary for the well being of such child."

The amendment made by your Committee is for the purpose of clarifying that the family court, in terminating parental rights under the new item (6), must make a finding that the parent is, at the time of the proceeding, unable to care for the child.

Your Committee is in agreement with the intent of the bill, which is to legally free a child for adoption in those situations where it is established that the legal parent will be unable to provide necessary care for the child, and there already is a prior adjudication in which the child was removed from the physical custody of the legal parent under the provisions of Section 571-11(2), HRS. At present, in this situation, the only alternative is to place the child in foster care, where he cannot have the opportunity of having adequate parents of his own caring for him in his own home with all of the advantages accruing from such circumstances.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **S. B. No. 2065-74** as amended herein, and recommends that it pass Second Reading in the form attached hereto as **S. B. No. 2065-74, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 700-74 Judiciary and Corrections on S. B. No. 1944-74

The purpose of this bill is to clarify the Hawaii Revised Statutes and to bring the statutes into conformance with the separate and co-equal status intended by the State Constitution for the executive, judicial, and legislative branches.

While your Committee believes that the independence of three branches is essential, we do not believe that this necessitates disturbing the present civil service system. Therefore, your Committee has amended the bill to delete those provisions that would change the present civil service system with reference to judiciary personnel. It is your Committee's intention that the present civil service system remain unchanged.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **S. B. No. 1944-74**, as amended herein, and recommends that it pass Second Reading in the form attached hereto as **S. B. No. 1944-74, H. D. 1**, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Medina and Wedemeyer.

SCRep. No. 701-74 Judiciary and Corrections on S. B. No. 1789-74

The purpose of this bill is to amend Section 604-1, Hawaii Revised Statutes, relating to district judges of the judicial circuit. The proposed amendment increases the number of judges of the District Court of the First Circuit from eight to eleven.

Your Committee finds that an increase in the number of cases has contributed to a tremendous backlog and overload placed upon the judges of the District Court of the First Circuit. It has been reported that an increase of traffic and criminal cases in rural and urban areas is being experienced.

Your Committee further notes that the population increase of rural areas has necessitated additional court sessions with the possibility of establishing daily court sessions in the rural area. Your Committee believes that in order to lessen their burden and to assure a just determination within a reasonable time to each party, three additional judges are necessary.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **S. B. No. 1789-74** and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 702-74 Judiciary and Corrections on S. B. No. 761

The purpose of this bill, as amended, is to regulate the sale of franchises in the State to minimize losses to the franchisee in cases where the franchisor or his representative has not provided full and complete information regarding: (1) the franchisor-franchisee relationship; (2) the details of the contract between franchisor and franchisee; and (3) the prior business experience of the franchisor.

It is the intent of the bill to: (1) provide each prospective franchisee with the information necessary to make an intelligent decision regarding franchises being offered; (2) prohibit the sale of franchises which would lead to fraud or a likelihood that the franchisor's promises would not be fulfilled; and (3) protect the franchisor or subfranchisor by providing a better understanding of the relationship between the franchisor or subfranchisor and the franchisee with regard to their business relationship.

Upon consideration of this bill, your Committee has amended the bill as follows:

(1) The definition of "franchise fee" was amended to include "any fee or charge based upon the amount of goods or products purchased by the franchisee from the franchisor or subfranchisor."

(2) Section -3 was amended to change the effective date from January 1, 1974 to July 1, 1974.

(3) Section -4(b) (3) was deleted.

It is the intent of your Committee that the provisions of the bill cover service station dealers and the oil companies.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of S. B. No. 761, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S. B. No. 761, H. D. 1.

Signed by all members of the Committee except Representatives Wedemeyer and Medeiros.

SCRep. No. 703-74 Judiciary and Corrections on S. B. 2197-74

The purpose of this bill as amended, is to make amendments to the Horizontal Property Act. In effect, it will clarify practices and definitions related to Chapter 514 of the Hawaii Revised Statutes.

The bill amends the law as follows:

(1) Sec. 514-2: Definition 18 is expanded to

include land which may or may not be contiguous and including more than one parcel of land. This is added in order to allow property ownership for areas for parking, recreation, etc., which may be on separate parcels of land. It also allows for increments being completed at different times. Definitions 22 and 23 are added in order to have the definition section conform to some of the following sections which will be amended by the passage of this bill. The definitions take into consideration adding to the statutes the new concept of "time sharing" which has commenced in the area of recreational and resort type condominiums. It clarifies this concept which makes each time period treatable as a separate "unit."

(2) Sec. 514-3: The change to this section is to require the owner of any project whether leasehold or fee simple to join in the declaration for the establishment of the horizontal property regime. It has been found that in instances where there is a default by the master sublessor under his master lease, the apartment owner may not have protection under his apartment lease. In order to handle this situation, this amendment is proposed. It is recognized that in some instances, there may be some difficulty in getting the fee owner (master lessor) to sign the declaration along with the master sublessor. This amendment will require the fee owner to join in the declaration.

(3) Sec. 514-4: This section is amended to tie it in with other sections of the law pertaining to time sharing units. This clearly indicates that the time sharing unit is a severable unit and can be treated as such.

(4) Sec. 514-11: In the filing of condominium projects with the Real Estate Commission the concept of "phased or incremental development" has been introduced. In order to clearly indicate that such "phased or incremental development" is possible, subparagraph 12 regarding the contents of the declaration is added.

(5) Sec. 514-12: On some occasions the description of land on which the condominium project is built is very lengthy. It is understood that it is not necessary to have it repeated in all the apartment deed. Therefore, provisions are made to provide for incorporation by reference of the description in the declaration in the apartment deeds.

(6) Sec. 514-13: This section has been amended to require that elevations of buildings be filed along with the floor plans. The reason for having elevations is that in the event that any project is damaged or destroyed, the elevation of the building or buildings would be available for reconstruction. The building department maintains plans only for a certain number of years and thereafter disposes the plans, making it desirable to have the elevations along with the floor plans, as suggested in this amended form of Sec. 514-13.

(7) Sec. 514-15: There appears to be some con-

tradition between Section 514-14 and this section as to whether this section restricts the provisions of the earlier section, with respect to the purposes that the purchaser's funds can be used. This section is amended to provide consistency between Section 514-14 and 514-15.

(8) **Sec. 514-16:** There has been some question as to whether or not an Improvement District Assessment or any utility assessment constitutes a blanket lien which must be satisfied at the time an apartment is conveyed for the first time from the developer to the initial buyer. Section 514-16 is amended to make it clear that an Improvement District Assessment and/or utility assessment need not be paid in full in order to convey an apartment whether it be the first or subsequent conveyance.

(9) **Sec. 514-23:** Changes in this section are made for clarity. Again, they are made to clearly indicate the uniqueness of the time sharing unit.

(10) **Sec. 514-24:** Under the priority of liens in this section, where there is an unpaid mortgage of record, there is a question whether or not the costs and expenses include attorney's fees as provided in the mortgage. Section 514-24 is amended so that the mortgages of record, and other related costs and expenses such as attorney's fees will have priority over the maintenance fees of the Association of Apartment Owners.

(11) **Sec. 514-29:** The existing law is not clear as to whether or not an offer of sale of a condominium can commence prior to the issuance of the Commission's public report on the project. In order to make it clear that it is necessary to have a public report prior to the offering for sale, Section 514-29 is amended to that effect.

(12) At present, all changes made which materially change the project requires the developer to immediately submit sufficient information to the Real Estate Commission. However, minor changes, usually involving the use of equivalent material in the construction of the building, need not be reported. It is the intent of the amendment that at time limit of 90 days be established for the buyer to file this complaint.

Upon consideration of this measure, your Committee has amended the bill to delete the proposed amendments to Section 514-10. Your Committee feels that allowing percentage interests for the common interests to be different from the percentage assessed against each apartment for common expenses may lead to abuses.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of S. B. No. 2197-74, S. D. 1, as amended herein and recommends that it pass Second Reading in the form attached hereto as S. B. No. 2197-74, S. D. 1, H. D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 704-74 Judiciary and Corrections on S. B. No. 1802-74

The purpose of this bill is to amend Section 657-8, Hawaii Revised Statutes, in order to make the provisions of the section apply equally to all persons under like circumstances and conditions.

Section 657-8 establishes a 6 year statute of limitation in favor of any registered or duly licensed services in the design, planning, supervision, or observation of construction or construction of an improvement to real property, for any action to recover damages arising out of the condition of such improvement to real property.

In the case of **Fujioka v. Kam**, Supreme Court of Hawaii No. 5328 (1973) the supreme court of this State held that the statute violated the equal protection clause of the Constitution because it granted immunity only to certain classes of persons, i.e., architects and contractors, and the court was unable to determine any reasonable basis for such special treatment.

In order to meet the constitutional requirements as set forth in the **Fujioka** decision, this bill extends the statute of limitation to include "the owner of the real property or any other person having an interest therein or in the improvement". Your Committee finds that the owner or other person having an interest in the improvement should be afforded the same protection as architects or engineers if the damages caused cannot be attributed to negligent maintenance. However, your Committee has amended the bill to provide that owners and other persons having an interest in the improvement are not protected by the statute if the damages are caused by negligent maintenance of the improvement. The owner, occupant, or others responsible for maintenance and upkeep constitute a different class from those responsible for the initial construction of the improvement even though it is possible for the same person or persons to fall into both groups. This is because construction is a one time project with a beginning and end while maintenance, on the other hand, is a continuing, ongoing process with a cumulative effect. Although a building is constructed with all due care and full compliance with the highest standards, improper maintenance could cause conditions which would weaken the structure or create hazardous conditions.

Manufacturers and suppliers of materials have not been brought within the ambit of the statute because your Committee believes that they reasonably constitute a separate class. Materials can be physically and scientifically measured and tested before being offered for sale. Their durability and expected performance are usually well documented and backed by specific warranties.

and guarantees. However, a building cannot be tested until after it is completed and with the passage of time. The concepts and services performed are primarily judgemental and change according to technological advances and the refinement of the state of the art. In the case of the owner, designer, contractor, and others involved in the creation of the improvement, proof of "due care" would serve as a defense. However, in the case of materials, which can be measured and tested, strict liability governs and "due care" is not a defense.

Your Committee believes that the foregoing makes any different treatment accorded under the statute as amended herein, the result of reasonable classification and not arbitrary discrimination. However, by the foregoing explanation, your Committee does not attempt to enumerate all of the classes of persons coming within the protection of the statute. We intend no exclusion as to justify a determination that this is a special law coming with the prohibition of the equal protection clause of the constitution. We intend that the statute apply to all who can, by a sensible reading of the words, be brought within its ambit.

It is your Committee's intention that this bill should apply to all actions commenced after its effective date. That is, that it should apply to all actions that have accrued since the enactment of the original statute in 1967. For example, if a building is more than 6 years old, the statute of limitations has already run and if the building is 3 years old, there are 3 years remaining before the statute of limitations would bar an action.

In addition to the amendment to Section 657-8 discussed above, this bill also amends the statute by setting the start of the 6 year period at the completion date of the improvement to real property.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of S. B. No. 1802-74, S. D. 1 as amended herein, and recommends that it pass Second Reading in the form attached hereto as S. B. No. 1802-74, S. D. 1, H. D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Medeiros, Medina and Wedemeyer.

SCRep. No. 705-74 Finance on S. B. No. 1450-74

The purpose of this bill is to provide for the conversion of non-civil service employees of the Hawaii public employment relations board to civil service status, without examination or reduction in pay. The bill further provides that the executive officer and full-time hearing officers shall be entitled to hold their positions during good behavior and may be subject to removal by the Board.

Your Committee amended this bill to limit Hawaii Revised Statutes chapters 76 and 77 coverage to the clerical and stenographic employees of the Hawaii public employment relations board.

Your Committee on Finance is in accord with the intent and purpose of S. B. No. 1450-74, S. D. 2, as amended herein, and recommends that it pass second reading in the form attached hereto as S. B. No. 1450-74, S. D. 2, H. D. 1, and be placed on the calendar for third reading.

Signed by all members of the Committee.

SCRep. No. 706-74 Finance on S. B. No. 2024-74

The purpose of this bill is to create a research and training revolving fund, a student health center revolving fund, a transcript and diploma revolving fund, and to establish a provision allowing the University to make its own deposits of certain funds. In addition this bill provides for the enrollment of senior citizens of sixty years of age or older to enroll in regular credit courses at any campus of the University of Hawaii without payment of tuition or fees.

The research and training revolving fund shall consist of ten per cent of all income up to a maximum of \$200,000 annually from indirect overhead sources on account of all university-held federal and other research and training contracts and grants. The fund shall be used for research and training purposes which may result in additional research and training grants and contracts.

A revolving fund for the purpose of student health center would allow the center to offer certain services on a self-supporting basis. The two major areas currently affected are the pharmacy service whose stock of 100 plus pharmaceuticals has been depleted to 12 essential formulas and infirmary service that provides overnight care without need for hospitalization primarily for the dormitory students.

There is a need for a revolving fund for transcripts and diplomas. Currently, students pay fees for these items but if the appropriated funds are exhausted, the university will not be able to offer these services.

This bill also would permit the university to privately deposit funds received from the federal and state governments and from private donations for research, training and other transitory purposes in a revolving fund.

The law states that moneys received by the university from the federal government or private donors must be deposited in the state treasury. Such deposits require careful auditing by the department of accounting and general services, the department of budget and finance and the university.

Presently, 644 separate accounts exist in the university trust fund category; 516 exist in the

revolving or trust accounts and 3,086 accounts in the federal research and training funds category. In addition, there are those funds referred to as "agency" which denotes moneys that are not university or state resources or are created as accounting conveniences only.

This bill will permit the university, with the approval of the director of finance, to make its own deposits of federal research and training grants, trust funds and revolving funds over which the State has little or no specific control.

Your Committee on Finance is in accord with the intent and purpose of **S. B. No. 2024-74, S. D. 1, H. D. 1**, and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 707-74 Legislative Management

Informing the House that **House Resolution Nos. 472 to 479, Standing Committee Report Nos. 662-74 to 706-74, Special Committee Report No. 9, Standing Committee Report Nos. 708 and 709, Conference Committee Report Nos. 1 and 2**, have been printed and distributed.

Signed by all members of the Committee except Representative W. Chong.

SCRep. No. 708-74 Finance on H. C. R. No. 49

The purpose of this concurrent resolution is to request the presiding officers of the House and Senate to appoint an interim committee on consumer protection to study the proposals contained in **H. B. No. 2071-74**. The intent of the bill is to reorganize some 29 boards and commissions now under the administration of the Department of Regulatory Agencies.

Because of the scope and magnitude of the bill, it affects the general organization, operations, functions, and procedures of some or all of the boards. The bill in the form it was introduced consists of 322 pages.

Your Committee agrees that further study of the bill by an interim committee of the legislature appears necessary to give this matter due consideration.

Your Committee on Finance concurs with the intent and purpose of **H. C. R. No. 49** and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 709-74 Transportation on H. R. No. 404

The purpose of this Resolution is to request the State to provide sufficient land in the form of air space under the freeway at Pearl City for the construction of 196 studio apartments to house students attending Leeward Community College.

Your Committee finds that there is a need for such student housing; that the project will result in economical and conservative use of otherwise fallow land; and that the project would be in the best interests of the State, the college, and the community.

Your Committee on Transportation concurs with the intent and purpose of **H. R. No. 404** and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 710-74 Water, Land Use and Development on S. B. No. 1391-74.

The purpose of this bill is to establish the position of energy resources coordinator in the office of the governor to coordinate programs to effectuate the conservation of fuel, provide for the equitable distribution thereof, and to formulate plans for the development and alternate use of energy resources.

The Senate Special Committee on Energy Resources has reported that such a position is necessary and important for the general welfare of the citizens of Hawaii. Under this bill, the coordinator would have the responsibility and authority to coordinate public and private energy conservation programs, conduct systematic analysis of existing and proposed energy resource programs and research, formulate and recommend specific proposals, initiate public education programs to inform the public of the energy situation, and serve as consultant to the Governor, public agencies and private industry.

Your Committee on Water, Land Use and Development is in accord with the intent and purpose of **S. B. No. 1391-74, S. D. 2** and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 711-74 Higher Education on S. B. No. 1585-74

As early as 1964, Fort Ruger was considered to be a possible future site for the expansion of the University of Hawaii Community College system. Subsequently, in the late 1960's, legislation was drawn up to exchange designated state lands for federally owned land at Fort Ruger. Congress passed Public Law 91-564 in December 1970, to facilitate the transaction. For various reasons, this transaction did not take place and in November 1973, Congress passed Public Law 93-166, which repealed Public Law 91-564, and directed the conveyance of the Fort Ruger land to the State of Hawaii upon the payment, either in services, facilities or money of an amount equal to the appraised fair market value of the land to be conveyed. Act 185 of 1969 and Act 187 of 1970 had previously appropriated a total of six million dollars for the purchase or transfer of these lands.

In anticipation of the establishment of a new

community college at Fort Ruger, the University of Hawaii Board of Regents recommended the transfer of Kapiolani Community College faculty and programs to the new campus and stated that it should open in Fall, 1972, with emphasis on Liberal Arts and Allied Health, with the balance of the Kapiolani Community College programs in Business Education and Food Services to be transferred during the 1970's as soon as the preparation of new and renovated facilities permit.

It was planned that Kapiolani/East Honolulu Community College would eventually be a very large community college with an estimated total population of 6,000 students at the end of a decade. Recent student requests for admittance and soaring student enrollments at the Pensacola Street site indicate these projections to be currently valid.

Consultant planning funds are available and the University administration has authorized the establishment of an advisory campus task force to update work on plans and priorities for moving Kapiolani Community College in stages to the Fort Ruger site. This task force is currently being formed.

Your Committee on Higher Education is in accord with the intent and purpose of S. B. No. 1585-74 S. D. 2 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Iha, Kondo, Carroll and Hapai III and Saiki.

SCRep. No. 712-74 Higher Education on H. R. No. 432

The purpose of this Resolution is to require that the Department of Education and the University of Hawaii and Community Colleges to emphasize environmental education through courses or other means, not as peripheral electives, but as an essential thrust of the curriculum.

Your Committee on Higher Education concurs with the intent and purpose of H. R. No. 432 and recommends that it be referred to the Committee on Education.

Signed by all members of the Committee except Representative Iha.

SCRep. No. 713-74 Higher Education on H. C. R. No. 71

The purpose of this Concurrent Resolution is to require that the Department of Education and the University of Hawaii and the Community Colleges to emphasize environmental education through courses or other means, not as peripheral electives, but as an essential thrust of the curriculum.

Your Committee on Higher Education concurs with the intent and purpose of H. C. R. No. 71 and

recommends that it be referred to the Committee on Education.

Signed by all members of the Committee except Representative Iha.

SCRep. No. 714-74 Finance on S. B. No. 964

The purpose of this bill is to establish a Park Ranger Corps within the Department of Land and Natural Resources. The Park Ranger Corps is needed to protect and conserve recreational, historical, and archaeological areas and to provide users with information regarding the proper and safe use of these areas.

Your Committee on Finance is in accord with the intent and purpose of S. B. No. 964, S. D. 1, and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 715-74 Finance on S. B. No. 1245

The purpose of the bill is to make public lands available for our citizens which would be used for agricultural recreation.

Your Committee notes that, given proper resources, opportunities, and motivation, older persons can make a valuable contribution to society. The department of land and natural resources has reported that there are vacant public lands that can be made available for gardening purposes of our people.

Your Committee has provided \$50,000 for the purchase of minor equipment and supplies for farm and agricultural use.

Your Committee has amended this bill by deleting the \$250,000 appropriation of general obligation bond money for fencing, facilities, and preparation of the land for agricultural use and improvements.

Your Committee on Finance is in accord with the intent and purpose of S. B. No. 1245, S. D. 1, as amended herein, and recommends that it pass third reading in the form attached hereto as S. B. No. 1245, S. D. 1, H. D. 1.

Signed by all members of the Committee.

SCRep. No. 716-74 Finance on S. B. No. 1409-74

The purpose of this bill is to add to the duties of the Hawaii Research Center by providing that the Center will serve as a research arm for the Commission on Manpower and Full Employment, and to provide for its involvement in the development and acquisition of models, techniques and other tools and capability for the effective monitoring, measuring and for casting of crucial aspects of Hawaii's socio-economic-environmental system. This bill also provides that the appointment of the Director of the Center shall not be subject to chapters 76 and 77.

An appropriation of \$100,000 is made for the Hawaii Research Center.

Your Committee on Finance is in accord with the intent and purpose of **S. B. No. 1409-74, S. D. 2** and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 717-74 Finance on S. B. No. 878

The purpose of this bill is to establish a statewide trail and access system and provides for the conceptual planning, coordination, development, land acquisition, construction and implementation for the system.

Your Committee has deleted the appropriation provision and redrafted the bill accordingly.

Your Committee on Finance is in accord with the intent and purpose of **S. B. No. 878, S. D. 2**, as amended herein, and recommends that it pass third reading in the form attached hereto as **S. B. No. 878, S. D. 2, H. D. 1**.

Signed by all members of the Committee.

SCRep. No. 718-74 Finance on S. B. 599

The purpose of this bill is to permit the Department of Social Services and Housing to disregard certain liquid assets of \$1,500 for single persons, and \$2,250 for families with two or more persons, and \$2,250 for families with two or more for medical assistance. Liquid assets include cash surrender value of life insurance policies.

The intent of this amendment is to eliminate favoring those with life insurance and to make the basis for determining the needs for medical assistance consistent with supplemental security income guidelines.

The current department regulation limits a single person to \$200, a couple to \$400, and three or more in the household to \$500, of savings and other assets in order to be eligible for medical assistance. Aged, blind and disabled persons receiving supplement security income benefits currently can have liquid assets of \$1,500 for singles and \$2,200 for couples.

Your Committee on Finance is in accord with the intent and purpose of **S. B. No. 599, S. D. 2, H. D. 1**, and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 719-74 Legislative Management

Informing the House that **House Resolution Nos. 480 to 485, Standing Committee Report Nos. 710-74 to 718-74** and **Standing Committee Report Nos. 720-74 to 724-74**, have been printed and distributed.

Signed by all members of the Committee except Representative W. K. Chong.

SCRep. No. 720-74 Judiciary and Corrections on S. B. No. 1913-74

The purpose of this bill is to minimize or abolish extra-judicial penalties which may confront a person who has a record of arrest, even though such arrest did not lead to conviction.

It is realized that as a practical matter all records pertaining to an arrest are not separable from other court, police, and public records, but this bill intends to accomplish at least a partial expungement coupled with a certificate issued to authorize declarations that as to a specific arrest, it did not occur.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **S. B. No. 1913-74**, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 721-74 Judiciary and Corrections on S. B. No. 1943-74

The purpose of this bill is to amend Article III, Section 17, of the Constitution of the State of Hawaii to exclude from the item veto items which are appropriated to be expended by the judicial and legislative branches.

Your Committee finds that the proposed amendment is needed to safeguard the judicial and legislative branches and their programs from being dominated by the executive department. In addition, the proposed amendment will promote the existence of three separate and co-equal branches of government — the Executive Branch, the Judicial Branch and the Legislative Branch — as contemplated by the Constitution of the State of Hawaii.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **S. B. No. 1943-74** and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 722-74 Finance on S. B. No. 601

The purpose of this bill is to provide for loans to applicants under the Federal Supplemental Security Income Program during the period pending the determination of eligibility under such program.

Applicants who may be eligible for benefits under the Social Security Act as amended by P. L. 92-603 and P. L. 92-233 (Supplemental Security Income Program) are currently subject to considerable hardship because there are many persons who are precluded by federal regulations from receiving any benefits on a presumptive eligibility

basis. Once they are determined eligible, their benefits are retroactive to the date of application. This means, however, that during the period of waiting for their eligibility determination they are without means to take care of their subsistence needs. Such a period could run up to two months. Furthermore, they are denied federal assistance under said program if they are receiving general assistance from the State.

A feasible method to provide the necessary assistance to these applicants without jeopardizing their eligibility is to provide these applicants with a loan not to exceed the amount of assistance they would receive under General Assistance. If the applicant is determined eligible under the SSI program he will repay the loan from the retroactive benefits he receives or the federal government may repay the State if the Social Security Act is amended to provide for direct payment to the State of retroactive payments up to the amount of funds loaned. If the applicant is found ineligible for SSI benefits, the loan will be deemed to have been a grant and will not be subject to repayment, since these applicants will then in all probability become General Assistance recipients.

SSI applicants are caught in an untenable situation in which their basic rights to subsistence assistance are denied during the period of eligibility determination and that the State's concern for the general welfare of its citizens dictates that a solution be found to assist these applicants.

Your Committee on Finance is in accord with the intent and purpose of S. B. No. 601, S. D. 2, and recommends that it pass second reading and be placed on the calendar for third reading.

Signed by all members of the Committee.

SCRep. No. 723-74 Finance on H. R. No. 275

The purpose of this resolution is to request that the Legislative Reference Bureau conduct a study on the administration of vocational education in the State including, but not limited to the following areas:

1. The fulfillment of the responsibilities of the University of Hawaii Board of Regents as the State Board for Vocational Education under the provisions of Chapter 305 A, Hawaii Revised Statutes;

2. The fulfillment of the responsibilities of the University Board of Regents as the State Board for Vocational Education under the provisions of Public Law 90-576, the Vocational Education Amendments of 1968;

3. The use of federal funds under Public Law 90-576 for vocational education program at the secondary and post secondary levels and for in-service education at the College of Continuing Education, University of Hawaii;

4. The staffing and administrative relationship

of the office of the State Director for Vocational Education in the University of Hawaii hierarchy;

5. The administrative relationship between the Office of the State Director of Vocational Education and the community colleges and the Department of Education;

6. The implementation of the State master plan for vocational education; and

7. Follow-up of recommendations made by the State Advisory Council on Vocational and Technical Education in the Council's annual evaluation reports.

There appears to be a need to strengthen our State's growing vocational education program. The present administration structure could provide for better accountability since no one person or agency has the responsibility and authority to implement the Vocational Education program in the State, particularly at the post-secondary level.

There is also a need to strengthen the Vocational counseling and guidance programs at the secondary and post-secondary levels. An examination of the counseling and guidance programs would better help students who have misconceptions concerning the Vocational-Education programs.

Your Committee on Finance concurs with the intent and purpose of H. R. No. 275 and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 724-74 Higher Education on H. R. No. 26

The purpose of this resolution is to request the Governor to assure that community college interests are strongly represented on the Board of Regents at all times through the appointment of persons with an expressed concern for the community colleges. In addition, that the Vice President for community colleges be accorded the responsibilities of a strong staff vice president equivalent in stature to Vice Presidents for Academic Affairs and Business Affairs.

Presently, the University of Hawaii operates seven community colleges and provides a diverse array of two-year career programs, apprenticeship programs, liberal arts programs and community education programs. In the fall of 1973, the community colleges enrolled a combined total of over 14,500 students in their regular credit programs. By 1976, under the university's controlled growth policy, the community colleges are expected to serve 21,000 full-time credit students.

Because of this growth in number of students, notable dissatisfaction has been expressed by administrators, faculty and students of the community colleges, and others, regarding the ap-

propriateness and relevance of the system under which these institutions have been governed. Briefly stated, the principal complaint is addressed to the alleged dominance assumed by the University of Hawaii, Manoa campus in the decision process affecting the management and operations of the community colleges with a resultant relegation of the community colleges to a "second class" status. Critics of the present governance structure claim that the community colleges are unresponsive in governing their institutions and programs; that the authority and communication channels of the hierarchical structure are muddled and overly dissipated; and that the concerns and grievances of the community colleges go unheeded with frustrating effects.

This perception of an unresponsive governance system and the desire for self-governance led some individuals to propose the establishment of a governance role by strengthening their voice within the existing management structure. While many proposals were offered for resolving the governance issue, they did highlight in common some shortcomings in the community college governance system.

The Board of Regents have expressed their concern of the community college regarding their governance and subsequently took appropriate action to improve the climate for efficient and harmonious management. Your Committee finds, as indicated by a report from the Board of Regents that: (1) Presently, the Office of the Vice President for Community Colleges remains vacant; (2) The Board of Regents, after having held extensive discussions with students and public hearings throughout the state, have concluded that the alternative of a single Statewide system of higher education would best serve the interest of the State of Hawaii; (3) Dr. Richard Kosaki, Vice President for Academic Affairs, was appointed to make recommendations under the structure approved by the Board of Regents. He was delegated to look into the best arrangement of educational policy functions within the President's office — covering functions performed both by the Vice President for Academic Affairs and by the Vice President for Community Colleges.

Because of this expressed concern by the Board of Regents, your Committee understands that a review of the issues relative to community college governance disclosed a real and sincere concern by many that community colleges are not accorded the status and priority of their four-year institutional counterparts. This resolution has taken a progressive step on this matter.

Your Committee on Higher Education concurs with the intent and purpose of H.R. No. 26 and recommends its adoption.

Signed by all members of the Committee except Representative Iha.

SCRep. No. 725-74 Education on S. B. No. 1262

The purpose of this bill is two-fold: to make the provisions of Section 26-34 applicable to the Research Corporation of the University of Hawaii and to clarify that the State Foundation on Culture and the Arts is subject to the provisions of Section 26-34, HRS, and has been since the passage of Act 192, Session Laws of Hawaii 1970.

The State Foundation on Culture and the Arts was first established in 1965 by Act 269, SLH 1965. **House Bill No. 10** which became Act 269, upon passage, initially provided that the Foundation was subject to section 14A-3, Revised Laws of Hawaii 1955 (later recodified as Sec. 26-34 HRS). The Senate, however, deleted the reference to Section 14A-3 and inserted a termination date of June 30, 1969 for the Foundation. Act 50, SLH 1969, extended the termination date of June 30, 1970. Act 192, SLH 1970, removed the termination date, thereby giving the Foundation permanent status.

During the period from 1965 to 1970, the Foundation was treated as a temporary board or commission. After the passage of Act 192, SLH 1970, the Foundation was subject to the provisions of Section 26-34. This bill will clarify that the above recited facts reflect the intent of the Legislature with respect to the Foundation. Section 9-2 is amended to make the provisions of Section 26-34 applicable.

Your Committee on Education is in accord with the intent and purpose of S. B. No. 1262, S. D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Uechi.

SCRep. No. 726-74 Judiciary and Corrections on S. B. No. 1565-74

The purpose of this bill is to protect consumers from certain abuses resulting from the use of one-payment contracts by automobile sales dealers. In the past, some automobile sales dealers have required prospective purchasers to sign one-payment contracts prior to test driving an automobile which they are interested in purchasing. One-payment contracts are nothing more than demand promissory notes. In cases reported to the Office of Consumer Protection, some prospective purchasers who decided against purchasing the automobile tested were coerced into purchasing the automobile based on an alleged obligation to pay the purchase price as evidenced by the demand promissory note.

S. B. No. 1565-74 would provide a stiff sanction against such unscrupulous dealers by authorizing the Department of Regulatory Agencies, Motor Vehicle Dealers Licensing Board, to suspend, revoke or deny the renewal of the license of any dealer who attempts or enters into such one-payment contracts where the signing of such contracts is required to prior test driving. The automobile sales industry agrees that the passage

of this bill is necessary to prevent such possible abuses.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of S. B. No. 156-74 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 727-74 Judiciary and Corrections on S. B. No. 2152-74

The purpose of this bill is to amend Section 814, Hawaii Penal Code, title 37, Hawaii Revised Statutes, to add a new subsection to the offense of criminal trespass in the second degree making a person guilty of the offense if he remains unlawfully in or upon school premises after reasonable warning or request to leave by school authorities or a police officer.

Your Committee understands that there are some schools without fences and under present statutes, persons trespassing on such premises commit the offense of simple trespass. Simple trespass is a violation and is enforceable only by means of a penal summons. Your Committee finds that persons trespassing on school premises, whether fenced or unfenced, should be subject to the offense of criminal trespass in the second degree, a petty misdemeanor.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of S. B. No. 2152-74, S. D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 728-74 Judiciary and Corrections on S. B. 2051-74

The purpose of this bill is to amend several sections of the Hawaii Revised Statutes to authorize the Chairman of the Board of Land and Natural Resources, the Director of Transportation and the Director of Weights and Measures to designate appropriate officials of their respective departments to administer oaths to officers issuing summons or citations in the enforcement of rules and regulations.

In effect, the bill would make it unnecessary for the person who issued a citation for any violation of law or the rules and regulations administered by the respective agencies, to make a trip to the prosecuting attorney's office to swear to a complaint when there is a failure to honor the summons or citation.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of S. B. No. 2051-74, S. D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 729-74 Judiciary and Corrections on S. B. No. 1981-74

The purpose of this bill is to amend section 478-8, HRS, to exclude from the application of the Hawaii usury law all transactions involving amounts in excess of \$750,000.

This bill would allow individuals, partnerships, trusts and other non-corporate entities the same freedom to secure loans in excess of \$750,000 at rates exceeding 12% per year as is presently granted only to corporations.

Your Committee finds that many individuals, partnerships and trusts, particularly in the field of real estate, are frequently involved in transactions where it is necessary for them to borrow large sums of money at the prevailing interest rates and further finds that such rates are often in excess of the 12% per year usury ceiling. The usury statutes were enacted to protect individuals from overreaching by unscrupulous lenders and it is reasonable to assume that persons borrowing sums of money in excess of \$750,000 are sufficiently sophisticated and have broad enough access to multiple sources of funds that they will not unknowingly become victims of unscrupulous lenders.

In view of the foregoing, your Committee finds that allowing the exemption provided for in this bill will serve to promote business development in the State, and, therefore, is in the public interest.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of S. B. No. 1981-74 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 730-74 Judiciary and Corrections on S. B. No. 1907-74

The purpose of this bill is to amend section 813 of the Hawaii Penal Code to make it unlawful for a person to knowingly enter or remain unlawfully in or upon the premises of a hotel or apartment building. This bill was designed to provide some means of dealing with the prostitution problem of hotels and apartments.

Your Committee understands that prostitutes presently have practically free access to such buildings to ply their trade. Under present laws, such unwanted persons commit only simple trespass which is classified as a violation and enforceable only by means of a penal summons. It is not practical to wait to obtain a summons when the need to remove a person is immediate.

Your Committee on Judiciary and Corrections

is in accord with the intent and purpose of **S. B. No. 1907-74, S. D. 1** and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 731-74 Judiciary and Corrections on **S. B. No. 1422-74**

The purpose of this bill is to provide Class B felony sanctions against those persons who, by threat of harm directed to a correctional worker or his immediate family, intend to influence or deter the correctional worker in performing his duties.

Your Committee understands that correctional personnel with the Department of Social Services and Housing, as well as those correctional workers in other jurisdictions (courts, jails, etc.), and/or their families have been subject to intimidation affecting the effective performance of their jobs where custody or correctional treatment is the major part of their responsibilities. Your Committee notes that under present law, threatening correctional personnel would be a violation of section 715 of the Penal Code entitled "Terroristic threatening", a misdemeanor, or section 724 of the Penal Code entitled "Criminal coercion", a class C felony. Your Committee believes that the nature of the crime is such that it should be classified as a class B felony.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of **S. B. No. 1422-74, S. D. 1**, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Wedemeyer.

SCRep. No. 732-74 Agriculture on **H. R. No. 418**

The purpose of this resolution is to provide for the appointment by the Speaker of the House of an Interim Committee to conduct hearings toward developing a comprehensive program for Hawaiian agriculture.

Your Committee finds that the agricultural industry in the State of Hawaii has been on the decline and has been slowly but steadily eroded by various problems for a number of years. However, it is the opinion of your Committee that the well-being of the entire State requires that a proper balance be maintained between the urban and agricultural sectors of society. Although the State has a number of governmental programs respecting agriculture, there is too little coordination among them. Your Committee therefore believes that a comprehensive and integrated program should be developed by the State to provide for the preservation and growth of Hawaiian agriculture.

Your Committee has amended the resolution to clarify its language.

Your Committee on Agriculture concurs with the intent and purpose of **H. R. No. 418**, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as **H. R. No. 418, H. D. 1**.

Signed by all members of the Committee.

SCRep. No. 733-74 Agriculture on **H. R. No. 219**

The purpose of this resolution is to request the Department of Land and Natural Resources to conduct a feasibility and cost study for an irrigation system for taro growing in the Hanalei Valley of Kauai.

Your Committee finds that in the past the Department of Land and Natural Resources has periodically maintained the irrigation facilities for the taro farmers in Hanalei Valley, Kauai. The proposed feasibility and cost study would place any future work for this irrigation system on a more systematic basis and may lead to a permanent solution to water supply problems.

Your Committee on Agriculture concurs with the intent and purpose of **H. R. No. 219** and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 734-74 Agriculture on **H. R. No. 443**

The purpose of this Resolution is to request the Speaker of the House of Representatives to appoint an interim committee to monitor the creation of agricultural parks on the Island of Oahu and to render legislative assistance and encouragement to the creation and development of such parks.

Your Committee finds that the concept of agricultural parks is an important ingredient in the State's plan to preserve and encourage agriculture as a basic component of Hawaii's economy; that the Department of Agriculture has given top priority to the formation of agricultural parks; and that this effort deserves the Legislature's attention, assistance, and encouragement, which can best be provided through the work of an interim committee.

This Resolution also provides that the interim committee shall submit a report of its actions and recommendations to the House at the commencement of its 1975 Regular Session.

Your Committee on Agriculture concurs with the intent and purpose of **H. R. No. 443** and recommends that it be referred to the Committee on Water, Land Use and Development.

Signed by all members of the Committee.

SCRep. No. 735-74 Judiciary and Corrections on **S. B. No. 2200-74**

The purpose of this bill is to amend section 480-

13, Hawaii Revised Statutes, to allow a person who is injured in his business or property by reason of anything declared unlawful by Chapter 480, to sue for damages sustained without being required to show that the suit would be in the public interest.

Section 480-2, H. R. S., declares that unfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce are unlawful. In interpreting the broad provisions of section 480-2, the Hawaii courts are directed by section 480-3, H. R. S., to be guided by the interpretations given by the Federal Trade Commission and the federal courts to section 5(a) (1) of the Federal Trade Commission Act. That section of the FTC Act is the statute on which section 480-2, H. R. S., is patterned. The FTC rules and the FTC and federal court interpretations of section 5(a) (1) of the FTC Act require some measure of public interest being involved. This requirement of showing an infringement upon the public may be an impediment to an individual filing an action for treble damages under section 480-13, H. R. S. This is because in many instances an individual may only be able to show that a merchant practiced an unfair or deceptive act upon him rather than upon others in the general public.

Your Committee finds that it is desirable to allow individuals to sue for unfair or deceptive business practices which may affect only the aggrieved individual without the necessity for showing that the action involves an infringement upon the public. Allowing such suits will discourage such practices and is in the public interest.

Your Committee on Judiciary and Corrections is in accord with the intent and purpose of S. B. No. 2200-74, S. D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. No. 736-74 Finance on S. B. No. 1789-74

The purpose of this bill is to amend Section 604-1, Hawaii Revised Statutes, relating to district judges. The proposed amendment increases the number of judges of the District Court of the First Circuit from eight to eleven.

An increase in the number of cases has contributed to a tremendous backlog and overload placed upon the judges of the District Court of the First Circuit. It has been reported that an increase of traffic and criminal cases in rural and urban areas is being experienced.

The population increase of rural areas has necessitated additional court sessions with the possibility of establishing daily court sessions in the rural areas. In order to lessen the burden on the present judges, and to assure a just determination within a reasonable time to each party, three additional judges are necessary.

Your Committee on Finance is in accord with the intent and purpose of S. B. No. 1789-74, and recommends that it pass third reading.

SCRep. No. 737-74 Legislative Management

Informing the House that **House Resolution Nos. 486 to 491, Standing Committee Report Nos. 725-74 to 736-74, Conference Committee Report No. 3, Re: H. B. 2538-74, H. D. 1, S. D. 1, C. D. 1, Conference Committee Report No. 4, Re: H. B. 2941-74, H. D. 1, S. D. 1, C. D. 1, Conference Committee Report No. 5, Re: S. B. 1944-74, H. D. 1, C. D. 1, and Standing Committee Reports Nos. 738-74 to 745-74, and Conference Committee Report No. 6, H. B. 2374-74, H. D. 1, S. D. 1, C. D. 1,** have been printed and distributed.

Signed by all members of the Committee.

SCRep. No. 738-74 Transportation on H. R. No. 445

The purpose of this Resolution is to direct the Department of Transportation to immediately investigate and correct the safety hazard which exists along Kalanianaʻole Highway from Aina Koa to Hawaii Kai because of the present condition of the shoulders of the highway, and to correct, repair and pave a shoulder, or both shoulders of Kalanianaʻole Highway in order to allow for bicycle travel along those shoulders in a safe manner.

Your Committee is informed that the Department of Transportation currently has under design a project to provide for an interim bikeway between Aina Koa Avenue and Aina Haina, and that an interim bikeway will be constructed from Hawaii Kai Drive to Lunalilo Home Road. However, there is an urgent need for immediate action.

Your Committee on Transportation concurs with the intent and purpose of H. R. No. 445 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. No. 739-74 Agriculture on H. R. No. 279

The purpose of this Resolution is to express the support of the House of Representatives for lower agricultural water rates in Hawaii County.

Your Committee finds that the availability and cost of water are important factors for the development and expansion of agriculture. Recent trends in agricultural development on the Island of Hawaii, such as greenhouse crop production and enclosed livestock production, have resulted in added costs because of higher water requirements. Your Committee believes that an effective method of government assistance to the agricultural industry would be a reduction in the water rates for agriculture.

Your Committee has amended the Resolution to provide that copies thereof are to be sent to the Mayor of Hawaii County and the director of the Hawaii County board of water supply, rather than the Mayor of each county and the director of each county's board of water supply as previously provided.

Your Committee on Agriculture concurs with the intent and purpose of **H. R. No. 279**, as amended herein, and recommends its adoption in the form attached hereto as **H. R. No. 279, H. D. 1**.

Signed by all members of the Committee.

SCRep. No. 740-74 Education on H. R. No. 407

The purpose of this Resolution is to request the Department of Education to use vacant school rooms and vacant schools for office space for departmental use, rather than seeking such space in private facilities.

Your Committee on Education is in accord with the intent and purpose of **H. R. No. 407** and recommends that it be adopted.

Signed by all members of the Committee except Representative W. K. Chong.

SCRep. No. 741-74 Federal, State and County Relations on S. C. R. No. 24

The purpose of this resolution is to request the United States House of Representatives to retain the House Committee on Merchant Marine and Fisheries in its present form. The efforts of the Select Committee on Committees in seeking more efficient House operations may result in breaking up the Merchant Marine and Fisheries Committee, which in turn may have an entirely counter-productive result.

Your Committee on Federal, State, and County Relations concurs with the intent and purpose of **S. C. R. No. 24** and recommends that it be adopted.

Signed by all members of the Committee.

SCRep. No. 742-74 Environmental Protection on S. C. R. No. 53

The purpose of this Concurrent Resolution is to call upon the Hawaii Environmental Simulation Laboratory (HESL) at the University of Hawaii, an applied, action-oriented research agency, to consider expanding the geographical scope of its work and to consider operationalizing such concepts as "carrying capacity", "overload", and "critical areas of concern." HESL and appropriate governmental agencies shall work in close cooperation with each other, HESL shall consult with legislators and other public officials, and it shall submit a report containing its findings and recommendations to the Eighth State Legislature.

Your Committee feels that this research will

help to define some extremely critical areas of concern within the State. Information gained from this research will benefit decision-makers in both the legislative and executive branches of government.

This gives the University of Hawaii an opportunity to work interactively with the community and various segments of the public. This type of public participation of those individuals involved in scientific research ought to be encouraged.

Definitions of such concepts as "overload," "carrying capacity," and "critical areas of concern" will become more and more crucial to the State, and State government should appreciate any help it can get from the scientific community in these areas.

Your Committee on Environmental Protection concurs with the intent and purpose of **S. C. R. No. 53** and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 743-74 Public Health and Welfare on S. C. R. No. 18

The purpose of this concurrent resolution is to request the several health professions and health providers to study the joint questions of continuing education and relicensure and to provide the Legislature with recommendations for legislation to establish standards for continuing education and relicensure which would assure excellence in health care.

The American Lung Association of Hawaii convened an Ad Hoc Steering Committee on Continuing Medical Education, representing a broad range of health professionals, to study the questions of continuing education and relicensure as it relates to all health professions. Its report called for further study of the questions.

Testimony from the Department of Health, the Department of Regulatory Agencies, the University of Hawaii Schools of Medicine, Public Health and Nursing, the American Lung Association of Hawaii, the Hawaii Public Health Association, and the Hawaii Nurses Association in general support this concurrent resolution.

While several testimonies urged that a single agency be selected to coordinate the study requested by this concurrent resolution your Committee believes it to be more appropriate to call on several health professions and health providers to act, as stated in the concurrent resolution, "either individually or in concert" in making their recommendations to the Legislature. This will encourage those professions and providers who wish to join together in making their recommendations to do so, while allowing those with special needs and concerns to make their recommendations individually.

Your Committee on Public Health and Welfare

concur with the intent and purpose of S. C. R. No. 18 and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 744-74 Public Health and Welfare on S. C. R. No. 21

The purpose of this concurrent resolution is to respectfully request the Congress of the United States to fund Title V of The Older Americans Act, as amended in 1973.

Your Committee finds that Title V of The Older Americans Act, as amended in 1973, identifies multi-purpose senior centers as a focal point for services and facilities for older people. However, for two consecutive years, no funding to support such centers has been requested by the President of the United States.

Since inception in 1954, the growth of senior centers in the United States has been phenomenal. A survey of over 4,000 senior centers being conducted by the National Institute for Senior Centers is expected to indicate that the growth will continue. Therefore, if the needs of the multi-purpose senior centers are to be met, more funding is necessary.

Your Committee finds that the funds from Title V would enable the Commission on Aging to make grants to public and nonprofit agencies for the acquisition, alteration, renovation, and initial staffing of multi-purpose senior centers in Hawaii.

Your Committee on Public Health and Welfare concurs with the intent and purpose of S. C. R. No. 21, S. D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 745-74 Water, Land Use and Development on S. C. R. No. 31

The purpose of this Concurrent Resolution is to request the Governor to establish an Ad Hoc Committee to work on an international trade fair to be held in 1976 or 1978.

Hawaii's central Pacific location makes it the ideal place to become the center for international trade. It is increasingly important to focus attention on Hawaii's unique role, contributions, and prospects as a center for economic trade. Hawaii is already recognized as being the "heart" of the Pacific basin; however, considerable progress must be made if Hawaii is to develop as the center of economic activity of the Pacific.

As trade and commerce in the Pacific-Asian basin develops, the staging of a major international trade fair in Hawaii would establish Hawaii's legitimate role in this respect. The establishment of the fair would help Hawaii attain its leadership goal in the Pacific.

The establishment and promotion of Hawaii as the center for international trade would be

beneficial to Hawaii's economy. The cultural integration that would result would also be an enriching experience for Hawaii's people. The economic and cultural benefits to be derived from the fair would far outweigh the costs.

Your Committee on Water, Land Use, and Development concurs with the intent and purpose of S. C. R. No. 31 and recommends its adoption.

Signed by all members of the Committee except Representative W. K. Chong.

SCRep. No. 746-74 Finance on S. B. No. 1391-74

The purpose of this bill is to establish the position of energy resources coordinator in the office of the governor to coordinate programs to effectuate the conservation of fuel, provide for the equitable distribution thereof, and to formulate plans for the development and alternate use of energy resources.

The Senate Special Committee on Energy Resources has reported that such a position is necessary and important for the general welfare of the citizens of Hawaii. Under this bill, the coordinator would have the responsibility and authority to coordinate public and private energy conservation programs, conduct systematic analysis of existing and proposed energy resource programs and research, formulate and recommend specific proposals, initiate public education programs to inform the public of the energy situation, and serve as consultant to the Governor, public agencies and private industry.

This bill appropriates \$50,000 for the coordinator.

Your Committee on Finance is in accord with the intent and purpose of S. B. No. 1391-74, S. D. 2, and recommends that it pass third reading.

Signed by all members of the Committee.

SCRep. No. 747-74 Finance on S. B. No. 1408-74

The purpose of this bill is to establish the position of research and development coordinator in the office of the governor.

An appropriation of \$50,000 is made for the coordinator.

Your Committee on Finance is in accord with the intent and purpose of S. B. No. 1408-74, S. D. 1, and recommends that it pass second reading and be placed on the calendar for third reading.

Signed by all members of the Committee.

SCRep. No. 748-74 Higher Education on H. R. No. 424

The purpose of this Resolution is to request that the University of Hawaii and Department of

Education support the implementation of career development in the public school system by developing and incorporating into their respective teacher training programs instructional courses, workshops, seminars, or other suitable means to promote the integration of career development instruction in the curricula of Hawaii's public schools.

During the Fiscal Year 1975, it is anticipated that in-service sessions for school level personnel will be carried out by the Department of Education to ensure the effective implementation of career education. The University of Hawaii, College of Continuing Education and College of Education, is developing plans to include course offerings on the Career Development continuum as well as to incorporate the concept in the teacher preparation programs at the undergraduate level.

The Department of Education also foresees the need for the development of supplemental materials to enrich the career development activities, such as guidance information for the various careers, audio-visual instructional software, directory of available community resources and other related curriculum materials. Federal funds have been committed for some of the above mentioned materials. The Department of Education will also explore all possible sources of materials needed to achieve the objectives of Career Development under the present fiscal constraints.

The project, funded entirely by Federal funds, was undertaken by the Department of Education in cooperation with the research and development team of the Education Research and Development Center (EDRAD) at the University of Hawaii.

The full potential of the project will not be realized until after the refinement of the curriculum guides set by the Department of Education personnel. Staff training must be continued to accomplish this.

Your Committee finds that the goal of establishing a career development continuum, K-14, within the existing educational structure and organization in the State of Hawaii would improve the career guidance and instructional program of the schools, thus enabling students to be better prepared to take a productive and satisfying role in life.

Your Committee on Higher Education concurs with the intent and purpose of H. R. No. 424 and recommends that it be referred to the Committee on Education.

Signed by all members of the Committee.

SCRep. No. 749-74 Higher Education on S. C. R. No. 14

The purpose of this Concurrent Resolution is to request the University of Hawaii to conduct a program analysis to determine whether a Filipino

Studies program should be established, such analysis to employ a planning-programming-budgeting approach and to include program objectives, effectiveness criteria and examination of the costs, benefits, and effects of different program alternatives; further, there would be included an analysis of the organizational approach to the establishment of such a program, including the alternative of expanding the Asian Studies program to encompass the four predominant Asian populations in the State.

Your Committee has held a public hearing on this Concurrent Resolution, and has received favorable testimony from the University administration, the University faculty, students, and the community at large. Testimony from the University administration indicates that little attention is given to Filipino studies at Manoa, with only six course descriptions that mention the term **Filipino** or **Philippines**, outside of language and literature courses in Tagalog and Ilocano. These six other courses are in the related areas of American studies, ethnic studies, fashion design, history, music, and Spanish literature. The Administration also pointed out that faculty interest in Philippine studies extends well beyond these few courses and areas, as evidenced by research and publications in Filipino studies. The faculty at Manoa has published works relating to the Philippines, representing various fields including agriculture, anthropology, demography, economics, linguistics, and political science. Further, several graduate students are pursuing academic programs concentrating on Philippine studies through various departments such as anthropology, history, Indo-Pacific languages, and psychology. Thus, there is a potential base for the establishment of a Filipino Studies program already in existence at the University.

The public overwhelmingly supports the establishment of a Filipino Studies program. The main thrust of such support was based on benefits such a program would foreseeably accrue to Hawaii's increasingly large Filipino population, by increasing its awareness of cultural heritage, and by providing the community with broad understanding of this large local segment. Your Committee was impressed by the widespread support of this program among the local Filipino students, faculty and community members who testified at the public hearing.

Your Committee notes that there is an appropriation measure to provide funds needed for a staff at the University to prepare an analysis in the programming-planning-budgeting format.

Your Committee upon consideration of this Senate Concurrent Resolution has made the following amendment: A new resolved clause has been added to request that the University include Filipino personnel on the staff which will be responsible for the program analysis requested by this Concurrent Resolution. Your Committee feels that the inclusion of Filipino personnel from the University and the community would serve the

best interests of the community, the program analysis requested, and the University. The experience and insight of such personnel and their familiarity and recognition of the problems involved in undertaking this type of program will be invaluable to the proper implementation of the intent of this Concurrent Resolution.

Your Committee on Higher Education concurs with the intent and purpose of S. C. R. No. 14, S. D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S. C. R. No. 14, S. D. 1, H. D. 1.

Signed by all members of the Committee except Representative Iha.

SCRep. No. 750-74 Transportation on H. R. No. 415

The purpose of this resolution is to call for an investigation into the activities and operations of the Harbors Division of the Department of Transportation to establish whether any management policies need modification or change.

Your Committee upon consideration of this resolution recommends the following amendments:

1. The title of the resolution be amended to request the Office of the Legislative Auditor to conduct an investigation of the Harbors Division operations.

2. Remove the now, therefore clause from the first WHEREAS on page two.

3. Add a new WHEREAS clause after the first WHEREAS on page two to clarify that the criticism directed toward the Harbors Division appear to be administrative failings which should not be taken as criticism against other professionals and staff of the division.

4. Amend the BE IT RESOLVED clause to outline the scope of the auditor's investigations.

5. Add a new BE IT RESOLVED clause to require that the findings and recommendations of the auditor be submitted twenty days prior to the convening of the 1975 Regular Session.

6. Amend the final BE IT RESOLVED clause to direct that a certified copy of the resolution be transmitted to the Governor, Director of Transportation, Chairman of the House Committee on Transportation, Speaker of the House of Representatives, and the Legislative Auditor.

Your Committee on Transportation is in accord with the intent and purpose of H. R. No. 415, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H. R. No. 415, H. D. 1.

Signed by all members of the Committee.

SCRep. No. 751-74 Water, Land Use and Development on H. R. No. 443

The purpose of this Resolution is to request the Speaker of the House of Representatives to appoint an interim committee to monitor the creation of agricultural parks on the Island of Oahu and to render legislative assistance and encouragement to the creation and development of such parks.

Your Committee agrees that the concept of agricultural parks is an important ingredient in the State's plan to preserve and encourage agriculture as a basic component of Hawaii's economy; that the Department of Agriculture has given top priority to the formation of agricultural parks; and that this effort deserves the Legislature's attention, assistance, and encouragement, which can best be provided through the work of an interim committee.

This Resolution also provides that the interim committee shall submit a report of its actions and recommendations to the House at the commencement of its 1975 Regular Session.

Your Committee on Water, Land Use and Development concurs with the intent and purpose of H. R. No. 443 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives King and Wasai.

SCRep. No. 752-74 Finance on H. C. R. No. 12

The purpose of this concurrent resolution is to request the Kohala Task Force to formulate proposals to acquire and save the Kohala Sugar Company and other troubled agricultural enterprises.

Your Committee has amended the title to conform to the first resolving clause, which has also been redrafted.

Your Committee on Finance concurs with the intent and purpose of H. C. R. No. 12, as amended herein, and recommends its adoption in the form attached hereto as H. C. R. No. 12, H. D. 1.

Signed by all members of the Committee.

SCRep. No. 753-74 Finance on H. C. R. No. 45

The purpose of this resolution is to assist the motoring public by providing for a central telephone service on each island which supplies accurate information as to which stations are open for gasoline service at any particular time.

Your Committee upon consideration of this resolution recommends the following amendments:

(1) Amend the title of the resolution to instead request the appointment of a legislative interim housing committee.

(2) Provide in the substantive provisions of the resolution for a legislative interim housing committee instead of a central telephone information service. Provision for a legislative interim housing committee will at this point in time be more in the public interest.

Your Committee on Finance is in accord with the intent and purpose of H. C. R. No. 45, as amended herein, and recommends its adoption in the form attached hereto as H. C. R. No. 45, H. D. 1.

Signed by all members of the Committee.

SCRep. No. 754-74 Legislative Management and Finance on H. C. R. No. 31

The purpose of this concurrent resolution is to provide for the appointment of a joint interim committee to review the legislative data processing program and recommend to the Legislature what steps should be taken to proceed with its implementation.

Your Joint Committees on Legislative Management and Finance concurs with the intent and purpose of H. C. R. No. 31 and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 755-74 Legislative Management

Informing the House that House Resolution Nos. 492, to 510, Standing Committee Report Nos. 746-74 to 754-74, Conference Committee Report;

NO. 7, Re: H. B. 2865-74, H. D. 1, S. D. 1, C. D. 1

NO. 8, Re: H. B. 3095-74, H. D. 1, S. D. 1, C. D. 1

NO. 9, Re: H. B. 2455-74, H. D. 1, S. D. 1, C. D. 1

NO. 10, Re: S. B. 17, S. D. 2, H. D. 2, C. D. 1

NO. 11, Re: S. B. 10, S. D. 1, H. D. 3, C. D. 1

NO. 12, Re: H. B. 3094-74, H. D. 1, S. D. 1, C. D. 1

NO. 13, Re: S. B. 1860-74, S. D. 1, H. D. 1, C. D. 1

NO. 14, Re: H. B. 2544-74, H. D. 1, S. D. 1, C. D. 1

NO. 15, Re: S. B. 2215-74, S. D. 1, H. D. 1, C. D. 1

NO. 16, Re: H. B. 2747-74, H. D. 1, H. D. 1, C. D. 1

NO. 17, Re: H. B. 2491-74, H. D. 1, S. D. 1, C. D. 1

NO. 18, Re: H. B. 2329-74, S. D. 1, C. D. 1

NO. 19, Re: S. B. 2100-74, S. D. 1, H. D. 1, C. D. 1

NO. 20, Re: S. B. 1536-74, S. D. 1, H. D. 2, C. D. 1

NO. 21, Re: S. B. 748 S. D. 2, H. D. 1, C. D. 1

NO. 22, Re: H. B. 2428-74, H. D. 1, S. D. 2, C. D. 1

NO. 23, Re: S. B. 1498-74, H. D. 1, C. D. 1

NO. 24, Re: S. B. 2024-74, S. D. 1, H. D. 1, C. D. 1

NO. 25, Re: H. B. 1387, H. D. 2, S. D. 1, C. D. 1

NO. 26, Re: H. B. 2999-74, S. D. 1, C. D. 1

NO. 27, Re: H. B. 2067-74, H. D. 1, S. D. 1, C. D. 1

NO. 28, Re: H. B. 2480-74, H. D. 2, S. D. 1, C. D. 1;

and Standing Committee Report Nos. 756-74 to 780-74, have been printed and distributed.

Signed by all members of the Committee.

SCRep. No. 756-74 Water, Land Use and Development on H. R. No. 401

The purpose of this resolution is to request the Department of Land and Natural Resources to expedite the development of the master plan for the Makiki Tantalus state park complex and upon approval of said plan by the federal government to proceed with the development of the park.

The Department of Land and Natural Resources is fully in accord with the intent of this resolution. A preliminary study has been completed by the State Parks staff on the potentials of the Tantalus area toward meeting outdoor recreation needs, particularly for urban Honolulu. Permission to engage the services of a consultant is currently being processed. Service will include research and analysis of development alternatives, the recommended alternative and master plan; the first phase construction plan; and related cost estimates. The period of the contract will be approximately nine months.

Your Committee on Water, Land Use and Development concurs with the intent and purpose of H. R. No. 401 and recommends that it be adopted.

Signed by all members of the Committee except Representative Iha.

SCRep. No. 757-74 Water, Land Use and Development on S. C. R. No. 52

The purpose of this Concurrent Resolution is to request the appropriate State and County departments, agencies and commissions to conduct a thorough study, analysis, and evaluation of the preliminary draft of the State of Hawaii Growth Policies Plan: 1974-1984, and to develop appropriate action programs to implement the recommended slow growth alternative. The Governor is also requested to submit the findings of the State and County departments, agencies and commissions to the 1975 State Legislature. The President of the Senate and the Speaker of the House are further requested to create a Joint Interim Committee to conduct a thorough study, analysis, and evaluation of the preliminary draft of the State of Hawaii Growth Policies Plan:

1974-1984, and to submit their findings to the 1975 Regular Session of the Legislature.

Your Committee finds that the Department of Planning and Economic Development has recently completed a preliminary draft of the State of Hawaii Growth Policies Plan: 1974-1984, recommending that the State adopt the slowed growth policy alternative. Basically, the report recommends that the population growth rate on Oahu be slowed down to 1.4 percent per year, and that the neighbor island population growth rate be slowed to 2 to 3 percent per year. Other recommendations made in the report include locating new population growth in compact urban areas, promoting diversified agriculture, stabilizing the sugar industry and slowing the decline of the pineapple industry, slowing the annual growth of hotel rooms, especially on Oahu, promoting industries which capitalize on Hawaii's natural beauty, encouraging the gradual increases of low and moderate income housing, and enhancing and preserving our physical environment. Your Committee feels that these recommendations and others contained in the report are important to the future and welfare of our State, and closely parallel the recommendations made by the Temporary Commission on Environmental Planning established by the Legislature last year. The concern for preservation of that which is good and beautiful in Hawaii warrants the passage of this Concurrent Resolution.

Your Committee on Water, Land Use and Development concurs with the intent and purpose of S. C. R. No. 52 and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 758-74 Water, Land Use and Development on S. C. R. No. 40

The purpose of this Concurrent Resolution is to request Hawaii's congressional delegation to introduce and support legislation that will obtain direct federal funding for the Pacific Islands Development Commission.

Your Committee is informed that high-seas species of fish, mainly tuna, constitute 75% of the Hawaiian market. In order to keep Hawaii's supply filled at a reasonable cost to the consumer, fishing methods will have to be improved. It is probable that new, modern vessels will be required to be operated on a year-round basis. Accordingly, this problem is being addressed in the program being developed by the Pacific Island Development Commission of which Hawaii is a member. The programs of the Commission will strengthen Hawaii's tuna industry as well as stabilize the prices for the consumer.

Your Committee on Water, Land Use, and Development concurs with the intent and purpose of S. C. R. No. 40, and recommends its adoption.

Signed by all members of the Committee except Representative King.

SCRep. No. 759-74 Water, Land Use and Development on S. C. R. No. 43

The purpose of this Concurrent Resolution is to request Hawaii's congressional delegation to seek the early return and stationing here of the Marine Fisheries Service vessel, Cromwell, or a similar vessel to carry out federal and state fisheries research and to support University of Hawaii projects.

Your Committee finds that in the past the research vessel, Cromwell, has been beneficially involved in research projects on a cooperative basis with the University and other research institutions in the State. Its absence from Hawaiian waters has greatly curtailed this research.

Your Committee on Water, Land Use and Development concurs with the intent and purpose of S. C. R. No. 43 and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 760-74 Higher Education on H. R. No. 428

The purpose of this resolution, as amended, is to request the Speaker of the House to appoint an interim committee on Higher Education to continue work in the area of higher education.

Throughout its hearings on Level III programs, on selected topics and on bills and resolutions, your Committee has learned of a number of issues of major import, some or all of which will confront the 1975 legislature for resolution. The 60-day session will not allow the legislature an adequate opportunity to gather information and formulate solutions with the degree of care and comprehensiveness that should be applied to these issues. The eight-month interim period between the 1974 and 1975 session offers the legislature a much better opportunity to do so.

Your Committee has amended the resolution so as to request the Speaker of the House of Representatives to appoint an interim committee on higher education. The amendments are reflected in the title and the first resolved clause.

Your Committee on Higher Education concurs with the intent and purpose of H. R. No. 428 as amended herein, and recommends its adoption in the form attached hereto as H. R. No. 428, H. D. 1.

Signed by all members of the Committee except Representatives Roehrig, Yim and Carroll.

SCRep. No. 761-74 Labor and Public Employment on H. R. No. 430

The purpose of this resolution is to request the Department of Personnel Services to release the results of the classification survey of clerical positions which was requested by the 1973 Legislature.

Your Committee on Labor and Public Employment concurs with the intent and purpose of **H. R. No. 430** and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 762-74 Education on S. C. R. No. 49

The purpose of this Resolution is to request the Department of Education to implement its Foundation Program for Curriculum in all the school districts in the State.

Your Committee on Education concurs with the intent and purpose of **S. C. R. No. 49, S. D. 1** and recommends that it be adopted.

Signed by all members of the Committee except Representative Uechi.

SCRep. No. 763-74 Agriculture on H. R. No. 315

The purpose of this Resolution is to request the Committee on Agriculture to conduct hearings on the problems faced by the livestock industry in the State of Hawaii.

Your Committee finds that the livestock industry is a major contributor to Hawaii's diversified agriculture. Population growth and the expansion of the tourist industry have increased demands for livestock products; however, the scarcity of land, rising labor costs, extensive capital outlays, and low profit margins make livestock production a risky enterprise.

Your Committee believes that an in-depth study of the various problems faced by the livestock industry and hearings by the Committee into those problems capable of a Legislative solution would materially benefit the industry and ultimately the entire State.

Your Committee has amended the Resolution to provide that the Legislative Reference Bureau shall conduct the in-depth study and shall deliver copies of its report to the Chairman and members of the Committee on Agriculture at least 20 days prior to the commencement of the next Regular Session. After receipt of the report, the Committee will conduct its hearings.

Your Committee on Agriculture concurs with the intent and purpose of **H. R. No. 315**, as amended herein, and recommends that it be adopted in the form attached hereto as **H. R. No. 315, H. D. 1**.

Signed by all members of the Committee.

SCRep. No. 764-74 Finance on S. C. R. No. 34

The purpose of this concurrent resolution is to request the Congress of the United States to institute action for the return of the land occupied by the U.S. Immigration Service on Oahu to the State of Hawaii for development into Hawaii's Heritage House for the Bicentennial Celebration and for a continuing historical and cultural center.

Your Committee on Finance concurs with the intent and purpose of **S. C. R. No. 34** and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 765-74 Finance on S. C. R. No. 27

The purpose of this Senate Concurrent Resolution is to ask that the Office of the Governor submit to the next session of the Legislature a preliminary report, with a final report to be submitted to the 1976 State Legislature. The report shall contain criteria and mechanisms for officially declaring areas or systems at environmental overload or in danger of environmental overload, and to recommend related steps and procedures to prevent such overload.

Your Committee on Finance concurs with the intent and purpose of **S. C. R. No. 27, S. D. 1**, and recommends its adoption.

Signed by all members of the Committee except Representative W. K. Chong.

SCRep. No. 766-74 Finance on S. C. R. No. 2

The purpose of this Senate Concurrent Resolution is to ask that the Ad Hoc Commission on Operations, Revenues and Expenditures consider ways of implementing the State's environmental goals, policies and guidelines as contained in statutes through appropriate revisions in the tax structure and make its recommendations to the Governor and the 1975 session of the Legislature.

Your Committee on Finance concurs with the intent and purpose of **S. C. R. No. 2, S. D. 1**, and recommends its adoption.

Signed by all members of the Committee except Representative W. K. Chong.

SCRep. No. 767-74 Finance on S. C. R. No. 26

The purpose of this Senate Concurrent Resolution is to request the Governor to develop criteria for defining the State's carrying capacity as relates to its environmental systems. The Office of the Governor shall submit these findings to the next Legislative session.

Senate Concurrent Resolution No. 26 is in response to a recommendation made by the Temporary Commission on Environmental Planning established by the 1973 Legislature. The Temporary Commission originated the concept of carrying capacity and urged that action be taken by which carrying capacity could be determined.

Your Committee on Finance concurs with the intent and purpose of **S. C. R. No. 26, S. D. 1**, and recommends its adoption.

Signed by all members of the Committee except Representative W. K. Chong.

SCRep. No. 768-74 Finance on H. R. No. 405

The purpose of this resolution is to request the Speaker of the House of Representatives to appoint an interim committee to study the production and sales practices of meat producers in the State. The intent of the resolution is to determine whether there are unfair practices in this vital industry and whether corrective legislative actions should be taken.

Your Committee on Finance concurs with the intent and purpose of **H. R. No. 405** and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 769-74 Finance on H. R. No. 418

The purpose of this resolution is to provide for the appointment of an interim committee to conduct hearings toward developing a comprehensive program for Hawaiian agriculture.

The agricultural industry in the State of Hawaii has been on the decline and has been slowly but steadily eroded by various problems for a number of years. The well-being of the entire State requires that a proper balance be maintained between the urban and agricultural sectors of society. Although the State has a number of governmental programs respecting agriculture, there is too little coordination among them. A comprehensive and integrated program should be developed by the State to provide for the preservation and growth of Hawaiian agriculture.

Your Committee on Finance concurs with the intent and purpose of **H. R. No. 418, H. D. 1**, and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 770-74 Finance on H. R. No. 334

The purpose of this resolution is to request the Department of Education to extend the hours during which public libraries shall remain open.

Your Committee on Finance concurs with the intent and purpose of **H. R. No. 334** and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 771-74 Finance on H. R. No. 421

The purpose of this resolution is to direct the Real Estate Commission to investigate problem areas of condominium living and adopt rules and regulations to correct the problems.

Your Committee has amended the resolution to "request" the Commission to "adopt" rules and regulations within its powers and to recommend legislation for matters that require action by the Legislature.

Your Committee on Finance concurs with the intent and purpose of **H. R. No. 421, H. D. 1**, as amended herein, and recommends its adoption in the form attached hereto as **H. R. No. 421, H. D. 2**.

Signed by all members of the Committee.

SCRep. No. 772-74 Finance on H. R. No. 429

The purpose of this resolution is to recognize that high blood pressure as a major public health problem which can be controlled by available knowledge and medications. It further urges the people of Hawaii to check their blood pressure annually, and that educational, scientific, medical, and voluntary organizations within the State work together to establish and maintain programs for high blood pressure education, detection, and treatment. The Governor and the director of health are urged to establish statewide high blood pressure information, detection, and treatment programs and to encourage local communities to do likewise. The Hawaii Medical Association and other public and private health organizations are invited to contribute their expertise and resources to the program.

Your Committee on Finance concurs with the intent and purpose of **H. R. No. 429, H. D. 1**, and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 773-74 Finance on H. R. No. 96

The purpose of this resolution is to require the Director of the State Law Enforcement and Juvenile Delinquency Planning Agency to report 20 days prior to the convening of each session of the Legislature on the work, research, funding plans, and procedures for the prior and ensuing years of that agency.

Your Committee on Finance concurs with the intent and purpose of **H. R. No. 96** and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 774-74 Finance on H. R. No. 246

The purpose of this resolution is to have the Hawaii Housing Authority investigate the legal and administrative possibilities that are available if the State is unable to financially acquire leasehold lands under Act 307 and if private citizens in a residential tract can obtain sufficient private financing to acquire the land.

Your Committee on Finance concurs with the intent and purpose of **H. R. No. 246, H. D. 1**, and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 775-74 Finance on H. R. No. 339

The purpose of the resolution is to request the University of Hawaii School of Medicine to

conduct a study of, and prepare plans for, a state medical examiner system, including the necessary proposed legislation. The School of Medicine is to conduct the study in consultation with appropriate private and public institutions, including the Hawaii Medical Association, the Hawaii Bar Association, and the county officers responsible for existing forensic pathology functions. The report is to be submitted with findings and recommendations twenty days before the convening of the Regular Session of 1975.

The problems of the medicolegal investigative system in Hawaii, particularly the lack of or incompletely performed autopsies on deaths that fall within the jurisdiction of the coroner or the medical examiner, has prompted this resolution.

Your Committee on Finance concurs with the intent and purpose of **H. R. No. 339** and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 776-74 Finance on H. R. No. 105

The purpose of this resolution is to request the Finance Committee of the House of Representatives to study revenue and expenditure information and make recommendations on the submission of such information to the Legislature on which to better forecast future revenues, determine need revenues, and enact appropriations for expenditures.

Your Committee finds a need for current, valid fiscal information to ensure the fiscal integrity of the State.

Your Committee has amended this resolution to request that the study be under an interim committee appointed by the Speaker of the House of Representatives.

Your Committee on Finance concurs with the intent and purpose of **H. R. No. 105**, as amended herein, and recommends its adoption in the form attached hereto as **H. R. No. 105, H. D. 1**.

Signed by all members of the Committee.

SCRep. No. 777-74 Finance on H. R. No. 219

The purpose of this resolution is to request the department of land and natural resources to conduct a feasibility and cost study for an irrigation system for taro growing in the Hanalei Valley of Kauai.

Your Committee on Finance concurs with the intent and purpose of **H. R. No. 219** and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 778-74 Finance on H. R. No. 432

The purpose of this resolution is to require that

the department of education and the university of Hawaii and community colleges emphasize environmental education through courses or other means, not as peripheral electives, but as an essential thrust of the curriculum.

Your Committee on Finance concurs with the intent and purpose of **H. R. No. 432** and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 779-74 Finance on S. C. R. No. 59

The purpose of this concurrent resolution is to approve the final compensation plan and the cost of the plan which was considered by the Public Employees Compensation Appeals Board based upon the recommendations of the personnel directors of the State and counties.

Section 77-4 and 77-5, Hawaii Revised Statutes, require the personnel directors to meet in joint conference each odd-numbered year to review and recommend adjustments to the compensation plan by submitting to the legislature through the office of the governor, a report setting forth the compensation plan and the cost thereof. These sections also provide that the approved plan take effect as of July of each even-numbered year.

Pursuant to the procedure for approval of the compensation plan and the cost of implementing the adjustments thereto, this concurrent resolution requests such approval by the legislature of "A Report of Findings on Adjustments to the Compensation Plan", dated December 31, 1973, published by the Public Employees Compensation Appeals Board.

Your Committee on Finance concurs with the intent and purpose of **S. C. R. No. 59** and recommends its adoption.

Signed by all members of the Committee.

SCRep. No. 780-74 Finance on S. C. R. No. 55

Outreach Counselors attached to the department of education believe that they might more effectively perform their roles if they are accorded the right of privileged communication.

Such a right is one that the State has granted seldom and only hesitantly in the past. Because of this, all of the ramifications of such action should be given thorough study before a recommendation on this subject is made. There are other professional groups that function in advocate positions on behalf of their clients and the awarding of this privilege to one group may have precedent-setting implications for others.

This resolution requests that the office of the legislative reference bureau study the question of granting this privilege to Outreach Counselors, the implications that the granting of such a privilege will have for other professional groups that per-

form similar functions, the possible placing of limitations on the privileged communication that might be granted Outreach Counselors, and that the Bureau present this report and its recommendations to the next session of the Legislature.

Your Committee on Finance concurs with the intent and purpose of S. C. R. No. 55 and recommends its adoption.

Signed by all members of the Committee.