

STANDING COMMITTEE REPORTS

SCRep. 1-76 Legislative Management

Informing the House that House Bill Nos. 1991-76 to 2087-76, House Resolution No. 2, House Concurrent Resolution No. 2, and Special Committee Report Nos. 1 to 5 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 2-76 Legislative Management

Informing the House that House Bill Nos. 2088-76 to 2098-76, House Resolution Nos. 5 to 71, and House Concurrent Resolution Nos. 3 to 5 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 3-76 Legislative Management

Informing the House that House Bill Nos. 2099-76 to 2146-76, House Resolution Nos. 72 to 79, and House Concurrent Resolution Nos. 6 and 7 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 4-76 Legislative Management

Informing the House that House Bill Nos. 2147-76 to 2208-76, and House Resolution Nos. 80 to 84 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 5-76 Legislative Management

Informing the House that House Bill Nos. 2209-76 to 2268-76, and House Resolution Nos. 85 and 86 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 6-76 Legislative Management

Informing the House that House Bill Nos. 2269-76 to 2291-76, and House Resolution Nos. 87 and 88 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 7-76 Legislative Management

Informing the House that House Bill Nos. 2292-76 to 2307-76, House Resolution Nos. 89 to 95, House Concurrent Resolution Nos. 8 and 9, and Special Committee Report No. 7 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 8-76 Legislative Management

Informing the House that House Bill Nos. 2308-76 to 2325-76, House Resolution Nos. 96 to 98, and Special Committee Report Nos. 8 to 15 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 9-76 Legislative Management

Informing the House that House Bill Nos. 2326-76 to 2365-76, House Resolution Nos. 99 to 104, and House Concurrent Resolution No. 10 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 10-76 Legislative Management

Informing the House that House Bill Nos. 2366-76 to 2403-76, House Resolution Nos. 105 to 108, and House Concurrent Resolution Nos. 11 to 18 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 11-76 Finance on H.B. No. 1994-76

The purpose of this bill is to increase the real property home exemption from \$8,000 to \$14,000.

Your Committee is aware of the concern and need to counter the rising real property values, and consequently higher real property taxes paid by homeowners, among whom are many senior citizens and persons on fixed income or in lower income brackets. Your Committee agrees that one method of providing relief to the homeowner is to provide for an increase in the amount of the home exemption. This bill also: (a) requires that the exemption apply to the principal home occupied by the claimant as of the date of assessment; (b) deletes the requirement that the home be occupied by owners during the first three months of the tax year; and (c) clarifies ownership which is jointly, by the entirety or in common.

This bill reflects your Committee's support of a similar increase in the home exemption which this House of Representatives has previously approved and which your Committee affirmed during the interim between the 1975 and 1976 Sessions.

Your Committee on Finance is in accord with the intent and purpose of H.B. No. 1994-76, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 12-76 Finance on H.B. No. 1995-76

The purpose of this bill is to amend the State Income Tax Law, by making adjustments in the excise tax credit schedule.

Sec. 235-55.5, Hawaii Revised Statutes, provides for excise tax credit under a single schedule. For each income bracket entitled to a tax credit, the taxpayer multiplies the number of qualified exemptions by the per qualified exemption tax credit amount. The excise tax credit is scaled in 11 categories with adjusted gross income under \$5,000 to \$14,999.

Your Committee was concerned with the plight of the many members in the hard-working poor of the community in the low income brackets. In the under \$5,000 category, the State Tax Department reported in 1975, that there were 142,753 claimants as against the next category (\$5,000 to under \$6,000) in which the claimants number 24,056. Your Committee agrees that the many persons in Hawaii in the lower income categories need further relief.

Your Committee therefore recommends that the amount of credit in the first four categories be increased to provide this relief. Your Committee approves this amendment to Section 235-55.5 to increase these four categories accordingly: \$30 to \$40; \$28 to \$32; \$26 to \$28; and \$24 to \$26.

Your Committee's recommendation of this bill affirms the approval of the House of Representatives in 1975 to support this increase in the excise tax credit schedule to provide relief of persons in low income categories.

Your Committee on Finance is in accord with the intent and purpose of H.B. No. 1995-76, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 13-76 Finance on H.B. No. 1996-76

The purpose of this bill is to establish an income tax credit for household renters with an annual adjusted gross income of \$15,000 or less.

Act 180, Session Laws of Hawaii 1970, provided for a system of income tax credits for household renters with an annual adjusted gross income of \$15,000 or less. The purpose of the tax credit was to reduce the higher tax burden of such renters as compared to homeowners due to the fact that renters receive no home exemption under the real property tax and the four per cent general excise tax on rentals are normally passed on to renters by landlords.

In 1974, the Legislature repealed the renter's tax credit along with all other income tax credits and replaced them with a single excise tax credit. The purpose of this action was to simplify the tax credit system to eliminate confusion on the part of tax payers and to ease administration of the tax credit system. However, the repeal of the renter's tax credit and the enactment of a single general excise tax credit did not ease the relative burden of renters as compared to homeowners as the general excise tax credit does not distinguish between renters and homeowners.

Your Committee believes that the rental tax credit for persons earning \$15,000 or less should be reinstituted to equalize the tax burden of such renters as compared to homeowners. The tax credit would be as follows:

1. For persons with adjusted gross incomes under \$10,000, two per cent.
2. For persons with adjusted gross incomes \$10,000 but less than \$12,500, one and one half per cent.
3. For persons with adjusted gross incomes \$12,500 but less than \$15,000, one per cent.

This bill affirms the position of the House of Representatives in 1975 in support of an income tax credit for renters.

Your Committee on Finance is in accord with the intent and purpose of H.B. No. 1996-76, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 14-76 Finance on H.B. No. 1997-76

The purpose of this bill is to amend the real property tax law provisions relating to the dedication of land for residential use.

Presently, certain land parcels may be dedicated for residential use if the land is situated where the land use zoning has changed to a higher than residential use. The term owner is restricted to a person sixty years of age or older who is a fee simple owner or who is a lessee of real property where the lease term is 10 years or more. The dedication is limited to a parcel of land not more than 10,000 square feet in area.

This bill will extend the residential dedication to any fee simple owner, by eliminating the age restriction, and by allowing parcels for single family dwelling residential use, regardless of size to be so dedicated within hotel, apartment, resort, commercial, or on industrial districts.

The term of the period is clarified, and automatic renewal for ten year periods is authorized. The cancellation procedure no longer requires five year notice but may still be exercised by either the owner or the Director of Taxation. The penalty provisions are also revised to fix the date of retroactive assessments and the percentage

penalty is raised from "eight" to "ten". Section 246-12.3, Hawaii Revised Statutes, is accordingly amended, and Sections 246-12.4 and 246-12.5 are repealed.

Your Committee has amended this bill as follows:

- (1) by removing the brackets before and after "at least" on page 1, line 8; and
- (2) by bracketing the word "petition" followed by the word "dedication" underscored on page 3, line 4.

Your Committee on Finance is in accord with the intent and purpose of H.B. No. 1997-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1997-76, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 15-76 Legislative Management

Informing the House that House Bill Nos. 2404-76 to 2429-76, House Resolution Nos. 109 to 123, House Concurrent Resolution Nos. 19 to 21, and Standing Committee Report Nos. 11-76 to 14-76 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 16-76 Legislative Management and Finance on S.B. No. 1893-76

The purpose of this bill is to provide funds for the expenses of the Legislature up to June 30, 1977, and for the expenses of the legislative support agencies for the fiscal year 1976-77.

SENATE AND HOUSE OF REPRESENTATIVES

This bill appropriates \$1,453,714 for the expenses of the Senate and \$1,880,494 for the expenses of the House of Representatives. These amounts represent a 10 per cent increase over the 1975 appropriations to meet the increased costs for equipment, supplies, staff services and other expenses of the Legislature during the present 1976 regular session, for interim committees that may be established between this 1976 regular session and the forthcoming 1977 regular session, and for other nonsession and presession expenses before the convening of the 1977 session.

LEGISLATIVE AUDITOR

An appropriation of \$945,533 is made to the Office of the Legislative Auditor to meet the basic operating budget request of that office. \$150,000 is also appropriated for special studies which may be undertaken with the approval of the President of the Senate and the Speaker of the House of Representatives.

STATE ETHICS COMMISSION

The budget request of \$90,000 is approved and that sum is appropriated for the purposes of the State Ethics Commission.

LEGISLATIVE REFERENCE BUREAU

For the fiscal year 1976-77, this bill appropriates \$622,913 to the Legislative Reference Bureau, of which \$5,000 is for the support of the Legislative Information Office.

REVISOR OF STATUTES

Your Committees are concerned over the delay to transfer the statute revision and publications program to the full control of the legislative branch. Under the proposals made by H.B. No. 11, the status of the Revisor of Statutes and the divided appointive and administrative supervision over that office would be clarified. H.B. No. 11 was approved by the House of Representatives during the Regular Session of 1975 and your Committees reaffirm their support of the plan thereunder to reorganize the statute revision and publications program.

Your Committees recommendation for the Office of the Revisor of Statutes limits the appropriation of \$240,832. Funds requested for the publication of replacement volumes to the Hawaii Revised Statutes are excluded and your Committees recommend that the request for this purpose be considered with the appropriate enabling legislation.

OMBUDSMAN

The budget request for the Office of the Ombudsman is approved and your Committees recommend that \$275,369 be appropriated for the purposes of that office.

LAPSING OF FUNDS

All appropriations under this bill are made subject to lapse as of June 30, 1977.

Your Committees on Legislative Management and Finance are in accord with the intent and purpose of S.B. No. 1893-76, S.D. 1, and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committees.

SCRep. 17-76 Legislative Management

Informing the House that House Bill Nos. 2430-76 to 2454-76, House Resolution Nos. 124 to 138, House Concurrent Resolution No. 22, and Standing Committee Report No. 16-76 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 18-76 Legislative Management

Informing the House that House Bill Nos. 2455-76 to 2508-76, House Resolution Nos. 139 to 161, and House Concurrent Resolution Nos. 23 to 25 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 19-76 Legislative Management

Informing the House that House Bill Nos. 2509-76 to 2582-76, House Resolution Nos. 162 to 198, and House Concurrent Resolution Nos. 26 to 28 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 20-76 Legislative Management

Informing the House that House Bill Nos. 2583-76 to 2624-76, House Resolution Nos. 199 to 204, and House Concurrent Resolution Nos. 29 to 31 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 21-76 Housing on H.B. No. 2255-76

The purpose of this bill is to amend Sec. 516-22, Hawaii Revised Statutes to require that there be a requisite number of lessees desiring to purchase their residential leasehold lots as a precondition for the acquisition of leased fee interests by the Hawaii Housing Authority.

Under the present law, the Hawaii Housing Authority before proceeding with acquisition, is required to find either that there is an acute shortage of fee simple residential property in the county or that there are a requisite number of lessees desiring to purchase the leased fee interest in their residential property. Your Committee feels that both requirements should be set forth as a precondition for acquisition.

Your Committee has amended the original form of H.B. 2255-76 in the following respects: Line 7, page 1 is amended by changing "Section 416-22" to read "Section 516-22."

Your Committee on Housing is in accord with the intent and purpose of H.B. 2255-76 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 22-76 Legislative Management

Informing the House that House Bill Nos. 2625-76 to 2645-76, House Resolution Nos. 205 to 218, Standing Committee Report No. 21-76 and Standing Committee Report Nos. 23-76 and 24-76 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 23-76 Housing on H.B. No. 2253-76

The purpose of this bill is to provide a more equitable formula for lessees desiring to purchase the leased fee interest in their properties.

Act 184, SLH 1975 was enacted to facilitate the implementation of the Land Reform Act of 1967. This Act incorporates a formula based on the current fair market value of the lot excluding onsite improvements, less any replacement costs of existing offsite improvements. Despite passage of this Act, testimony presented before your Committee indicates that prices still remain beyond the reach of lessees in the State.

The revised formula set forth in the attached H.B. No. 2253-76 utilizes the discount method which is generally used by appraisers and banks and other financial institutions to measure the value of the leased fee. The leasehold purchase price is derived by adding the remaining rental payments set forth in the lease until the lease expiration, plus the present worth of the value of the real estate reverting to the lessor. This is discounted at a rate based on the maximum rate of return for insured passbook demand savings account paid by the savings and loan institutions in Hawaii plus three and three-fourths per cent. The lessee is thus credited for the number of years remaining on the lease, which is not incorporated in Act 184.

Other amendments to Act 184, SLH 1975 include the following:

1. Section 516-35(a) has been revised by adding ten percent (10%) to the original purchase price of the leased fee. This would give the purchaser the benefit of some of the appreciation.
2. Section 516-35(a) is further amended by permitting title to pass to family members by devise or through the laws of descent, even though all of the qualifications for purchase under Section 516-33 are not met by the heir.
3. Section 516-35(a) is further amended by adding a paragraph which provides for the selection of the appraiser who will appraise the land and improvements. The present law does not set forth any procedure for the determination of the fair market value of the land and the improvements.
4. The thirty (30) day period for responding to the offer as set forth in Section 516-35(b) is amended to sixty (60) days.
5. The date of election to purchase is established as the date of valuation for repurchase by the authority.
6. Provision has also been made in Section 516-35(b) for payment by the authority within ninety (90) days after the election. If payment is not made within ninety (90) days, interest shall accrue at the rate of 5% per years. Finally, non-payment within one (1) year will result in the termination of the right to exercise the option by the authority. This provision has been inserted in an attempt to prevent any undue delay in the payment.

Upon review of H.B. No. 2253-76, your Committee has made the following amendment: The definition of "owner's basis" has been reworded, for purposes of clarification

without change in substance, from "present worth of the future rental income stream under the leases to lots in the tract and the present worth of the lessor's reversionary interest in the leased lots" to "sum of the future rental income stream under the leases to lots in the tract discounted to present worth and the value of the lessor's reversionary interest in the leased lots discounted to present worth."

Your Committee on Housing is in accord with the intent and purpose of H.B. No. 2253-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2253-76, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 24-76 Public Assistance and Human Services on H.R. No. 49

The purpose of this resolution is to request the Department of Social Services and Housing to review and revise its policy, rules and procedures regarding the administration of the food stamp program. The Department is directed to pay particular attention to improving the quality of its worker training program, evaluating the adequacy and effectiveness of the outreach program, strengthening its efforts to follow-up on suspected cases of fraud and especially, its efforts to reduce the error rate. The Department shall solicit the views and recommendations of "line staff" in reviewing program administration and include these in its report of its findings and revisions to the legislature. The Department's report shall also include current information concerning program administrative costs, utilization of any newly authorized positions and the status of federal food stamp reform measures.

The food stamp program in Hawaii has experienced tremendous growth since its inception in 1966. The number of participating households has increased from 369 in April, 1966, to 33,390 in November, 1975. The corresponding increase in federal bonus money flowing into Hawaii was from \$6,160 to \$2,598,997. Unstable economic conditions, the escalating cost of living, and increased public awareness are major factors which have contributed to the program's growth. The need to assure adequate delivery of services to the increased number of food stamp recipients necessitates improvement of present program administration.

The Department's testimony acknowledged that the program is beset with administrative problems resulting from program growth. Staffing limitations and inadequate worker training have left some program areas poorly attended to, e.g. timely submission of required federal reports, claims recovery of overpayments, recertification of eligibility, and duplicate payments, causing high error rates which subject the State to federal fine. Interaction between line staff and program administrators, and staff participation in policy formulation and implementation need to be increased. Effective administration of any program requires participation in policy formulation by those who are to implement them. The Department fully concurs with the intent of the Resolution.

Your Committee amended the Resolution to include the naming of specific problem areas which were found to require the special attention of the Department.

Your Committee on Public Assistance and Human Services concur with the intent and purpose of H.R. No. 49, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 49, H.D. 1.

Signed by all members of the Committee.

SCRep. 25-76 Legislative Management

Informing the House that House Bill Nos. 2646-76 to 2662-76, House Resolution Nos. 219 to 227, and House Concurrent Resolution Nos. 32 to 35 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 26-76 Finance on H.B. No. 2136-76

The purpose of this bill is to clarify present statutory provisions relating to bid

deposits.

Section 103-28, Hawaii Revised Statutes, calls for deposits to accompany bids for public works and contracts. The deposit is specified to be a definite sum equal to five per cent of the bid amount. The Department of Accounting and General Services informed your Committee that bidders often submit deposits in excess of the amount required and these normally do not pose a problem and are accepted as a general practice. However, the department has rejected bids when the deposit was less than the required amount. In some of these cases rejected bidders have argued that the bids accompanied by deposits in excess of the five per cent requirement should also be rejected since they do not conform to the statute.

The amendments proposed by your Committee should clarify the bid deposit requirement and your Committee recommends that this bill be revised as follows:

1. Change the phrase "equal to five per cent" to read "no less than five per cent" on page 1, lines 7 and 8.
2. Change the phrase "for \$2,500" to read "for no less than \$2,500" on page 1, line 11.
3. Change the phrase "equal to five per cent" to read "no less than five per cent" on page 2, line 10.
4. Change the phrase "shall be \$2,500" to read "shall be no less than \$2,500" on page 2, line 14.

Your Committee on Finance is in accord with the intent and purpose of H.B. No. 2136-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2136-76, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 27-76 Finance on H.B. No. 2155-76

The purpose of this bill is to eliminate the interest ceiling on general obligation bonds of the State.

Act 27 of the Session Laws of Hawaii 1968 fixed the interest rate on coupons of general obligation bonds issued by the State at 6.00 per cent. In 1968, the Bond Buyer's 20-Bond Index, a leading indicator of municipal bond interest rates, registered a high of 4.85 per cent. Since that time there has been a steady rise in bond interest rates. In the week ending October 3, 1975, it reached an all time high of 7.67 per cent.

Each year since 1970, the Legislature has temporarily authorized an increase in the interest ceiling to 8.00 per cent and only once did any single coupon rate on a State's bond issue equal 7.00 per cent. The average rate of issue is 6.45 per cent with respect to the last four bond sales, the average rate was below 6.20 per cent.

Your Committee agrees that the 6.00 per cent interest rate restriction is unrealistic. However, your Committee does not approve of this bill's proposal to remove the interest rate ceiling on its general obligation bonds.

Your Committee recommends that an increase to 8.00 per cent is reasonable and this bill is revised to reflect this recommendation.

Your Committee on Finance is in accord with the intent and purpose of H.B. No. 2155-76, as amended herein and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2155-76, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 28-76 Finance on H.B. No. 2159-76

The purpose of this bill is to amend Section 40-84, Hawaii Revised Statutes, in order to provide an exclusion to the Stadium Authority from the petty cash limitation

of \$5,000 which is the maximum allowable for each state agency.

When legislation was enacted many years ago limiting the amount of petty cash funds to \$5,000 for each agency, the State did not expect to operate a facility such as the Aloha Stadium. Now with the undertaking of a stadium operation, the Stadium Authority finds that it cannot efficiently and effectively function under a petty cash fund limitation of \$5,000. Your Committee was informed that the Authority's experience has shown that a petty cash fund of approximately \$15,000 is needed for change fund purposes during normal box office and parking operations. During weekends with extra events or events having large crowds, change fund requirements usually exceed \$15,000. Your Committee agrees that the Stadium Authority should be excluded from the petty cash limitation of \$5,000 so that necessary arrangements can be made with the State Comptroller to satisfy the petty cash requirements for the Aloha Stadium which far exceeds \$5,000.

This exclusion is not without precedent for under the present provisions of Section 40-84, Hawaii Revised Statutes, the University of Hawaii is granted a like exclusion.

Your Committee on Finance is in accord with the intent and purpose of H.B. No. 2159-76 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 29-76 Finance on H.B. No. 2236-76

The purpose of this bill is to amend the ten per cent penalty provision on delinquent real property taxes.

Under the present provisions of Section 246-49, Hawaii Revised Statutes, a ten per cent penalty shall be assessed on delinquent real property taxes. Thus, strict adherence to this law requires the flat ten per cent penalty on all delinquent real property taxes regardless of the duration of the delinquency.

The changes proposed by this bill will authorize the Department of Taxation to impose a rate of penalty up to ten per cent. For instance, in a case of illness, unexpected travel or other situation when it becomes difficult or impossible for the taxpayer to make payments on time, the director of taxation would have the discretionary authority to impose a penalty of less than ten per cent. Such authority appears most fair and reasonable to your Committee.

The tax department indicated to your Committee that the revenue impact of this bill is nominal.

Your Committee on Finance is in accord with the intent and purpose of H.B. No. 2236-76 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 30-76 Finance on H.B. No. 2237-76

The purpose of this bill is to add a definition to the State Income Tax Law covering the term "without regard to source in the State".

This definition is necessary for the term "without regard to source in the State" appears frequently in the income tax law and the addition of this definition will serve to clarify the term as it is used in the law.

A similar definition prior to 1973 was omitted when a conforming amendment was made under Act 217, Session Laws of Hawaii. The omission appears to have been a drafting error. The addition of this definition is proposed by the tax department and meets with the approval of your Committee.

Your Committee is in accord with the intent and purpose of H.B. No. 2237-76 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 31-76 Legislative Management

Informing the House that House Bill Nos. 2663-76 to 2691-76, House Resolution Nos. 228 to 242, House Concurrent Resolution No. 36, and Standing Committee Report Nos. 26-76 to 30-76 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 32-76 Legislative Management

Informing the House that House Bill Nos. 2692-76 to 2739-76, House Resolution Nos. 243 to 248, and House Concurrent Resolution No. 37 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 33-76 Housing on H.B. No. 2232-76

The purpose of this bill is to increase State rent supplement payments for elderly persons.

H.B. 2232-76 proposes to provide additional flexibility in granting assistance to qualified elderly persons by increasing monthly rent supplement payments from \$70 to \$90. The elderly are generally in greater need of rental assistance due to their relatively low fixed incomes and the increased cost of living.

Your Committee on Housing is in accord with the intent and purpose of H.B. No. 2232-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kondo and Ikeda.

SCRep. 34-76 Higher Education on H.B. No. 2248-76

The purpose of this Act is to create a revolving fund for the centralized operation of duplicating and other reproduction services on the Manoa Campus on a self-supporting basis.

The Committee heard testimony by the Director of Budget and Program Evaluation and finds as follows:

The high costs of duplicating and photocopying services at the University impelled the administration to conduct an investigation on its use. The principal recommendation of the review was the establishment of a revolving fund managed by the use of a centralized control, review and accounting system. The study proposed that the Central Duplicating Service would best be able to develop and apply the appropriate controls which would permit periodic review of utilization and costs and thus result in improved efficiency and economy.

Your Committee believes a workable dollar limitation on the balance that could be accumulated in the proposed duplicating service revolving fund would act as a safeguard against its unreasonable expansion and proposes that the following amendment be added to the bill:

"The fund may accumulate a balance of not more than \$150,000 as of June 30 of each fiscal year, provided that any amount in excess of \$150,000 shall be deposited into the general fund of the State."

In addition, your Committee recommends a minor change in the language of the Act to make clear that, while the service is located on the Manoa Campus, it may provide services to the University of Hawaii's off-campus operations.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2248-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2248-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Machida, Oda, Yuen and Ikeda.

SCRep. 35-76 Higher Education on H.B. No. 2246-76

The purpose of this Act is to amend the Hawaii Revised Statutes so as to relieve the Campus Center of the University of Hawaii at Manoa from the obligation of paying Act 34 assessments into the State Treasury.

Your Committee heard testimony from the Dean of Students at the University of Hawaii at Manoa and finds as follows:

The base for amortization of bonds sold to support construction costs and for all current operation costs of the Campus Center is mandatory fees paid by all regular semester and summer session students at Manoa Campus, plus revenues generated by building operations and services. In contrast, however, similar buildings and associated services provided for students on the other campuses of the University of Hawaii system are not funded by student fee revenues. Therefore, at the outset, your Committee is aware that there is an element of inequity working against Manoa Campus students.

Clearly, the assessment of Act 34 charges against Campus Center operations is not consistent with current statutes which provide exemptions for the special funds of other programs paid for by students such as the School Cafeteria special funds of the community colleges and the special funds of Student Housing, Summer Session, Continuing Education and Community Service and the bookstores.

Finally, your Committee is aware that rapidly escalating costs have placed pressures on Campus Center revenues which indicate that unless savings can be effected from all possible sources, an increase in fees will be required.

Therefore, in the interests of equity and in an endeavor to protect existing fee levels, your Committee recommends that the Campus Center special fund be exempt from Act 34 deductions.

Your Committee is in accord with the intent and purpose of H.B. No. 2246-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Machida, Oda, Yuen and Ikeda.

SCRep. 36-76 Higher Education on H.B. No. 2249-76

The purpose of this Act is to amend the Hawaii Revised Statutes so as to make clear that the privileges of the University of Hawaii are available to all persons without regard to race, color, sex or national origin.

Whereas the original text was limited to sex, color or nationality, the amendment more precisely expresses and conforms to the prevailing philosophy, Federal and State Statutes, and court precedents relating to civil rights.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2249-76 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by all members of the Committee except Representatives
Machida, Oda, Yuen and Ikeda.

SCRep. 37-76 Housing on H.B. No. 2233-76

The purpose of this bill is to redefine elderly person as it applies to State public housing projects.

This bill seeks to make uniform the State's definition of an elderly person with federal definitions currently being applied in federally assisted public housing projects. The federal programs now define an "elderly person" as one over the age of 62 years while present State statutes prescribe that a person be over the age of 65 to qualify

for housing benefits as an "elderly person." The definition of "elderly person" is further amended by deleting the requirement that he be unable to secure safe and sanitary dwelling accommodations at a rental within his financial reach; inasmuch as this requirement is adequately covered in Sec. 359-58.1 Hawaii Revised Statutes. The proposed definition further seeks to expand the qualifications to include single individuals who are unable to engage in any substantial gainful activity because of physical or mental impairment which can be expected to result in death or to be of a long, continued and definite duration. Furthermore, any single individual with a physical impairment which impedes his ability to live independently and whose ability may be improved by more suitable housing conditions is also included in this definition.

Upon consideration of H.B. No. 2233-76, your Committee has amended the definition of "elderly person" to include that he be a bona fide resident of the State. Your Committee's intent is to aid only those persons who are bona fide State residents, with the intention of continuing their residence in the State. Due to unconstitutionality, the required duration of residency in the State has not been indicated.

A grammatical error has also been corrected.

Your Committee on Housing is in accord with the intent and purpose of H.B. 2233-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2233-76, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Kondo and Ikeda.

SCRep. 38-76 Legislative Management

Informing the House that House Bill Nos. 2740-76 to 2776-76, House Resolution Nos. 249 to 256, House Concurrent Resolution No. 38, and Standing Committee Report Nos. 33-76 to 37-76 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 39-76 Legislative Management and Finance on H.B. No. 2099-76

The purpose of this bill is to provide for replacement volumes of the Hawaii Revised Statutes as a means of updating the HRS and eliminating the need for a bulk revision of the laws of the State.

When the Revised Statutes was enacted and published in a set of eight volumes, it was planned that the HRS would be retained as long as possible by updating it on an annual basis by pocket supplements and when such pocket supplementation becomes impracticable by publishing substitute or replacement volumes.

This bill would initiate the replacement program by authorizing the revisor of statutes to replace the present volume 4. All the statutes in force contained in the volume and its 1975 pocket part, together with the laws enacted at this session and classified to volume 4, would be republished in a new volume 4 and volume 4A. Five thousand copies of each volume would be printed, assuring a supply for about 10 years.

In addition, the bill would amend Chapter 2 of the Hawaii Revised Statutes to expressly provide for the preparation, publication, and distribution of replacement volumes. In the future, replacement volumes can be authorized by the inclusion of sufficient funds in the annual appropriations made for defraying the expenses of the revisor's office.

Your Committees have amended this bill to change the appropriation in Section 8. The original cost estimate was based on volumes bound in the manner of the Session Laws instead of the Revised Statutes. A revised quotation indicates that \$75,000 is required for the publication of these replacement volumes.

Your Committees have also amended this bill by inserting the words "and replacement volumes" after the word "supplements" in line 5, page 3.

Your Committees on Legislative Management and Finance are in accord with the

intent and purpose of H.B. No. 2099-76, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2099-76, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees.

SCRep. 40-76 Legislative Management

Informing the House that House Bill Nos. 2777-76 to 2814-76, House Resolution Nos. 257 to 264, and Standing Committee Report No. 39-76 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 41-76 Legislative Management

Informing the House that House Bill Nos. 2815-76 to 2873-76, House Resolution Nos. 265 to 271, House Concurrent Resolution Nos. 39 to 41, and Standing Committee Report Nos. 42-76 to 46-76 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 42-76 Judiciary on H.B. No. 2625-76

The purpose of this Act is to provide funding for salary adjustments for the Office of the Public Defender.

At the present time an insufficiency of funds will preclude conforming staff salaries to the Salary Plan for the Office of the Public Defender during fiscal year 1976-1977. The appropriation of supplemental funds from the general revenues of the State of Hawaii will provide salaries intended to reflect the different levels of responsibilities assigned to attorneys and bring their salaries into line with salaries paid deputy prosecuting attorneys with comparable experience.

The Office of the Public Defender has requested supplemental funds in the amount of \$52,736 to provide salary adjustments. Your Committee recommends an amendment for the purpose of appropriating the additional funds necessary to carry out the purposes of this Act. Such amendment would be as follows:

(a) Section 2. Means. The sum of \$52,736 shall be appropriated out of the General Revenues of the State of Hawaii and expended by the Office of the Public Defender.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 2625-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2625-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 43-76 Judiciary on H.B. No. 2626-76

The purpose of this Act is to provide for the continued operation of the Legal Aid Society of Hawaii.

The Legal Aid Society of Hawaii has rendered legal assistance to the low income and economically disadvantaged population of the State for many years and has provided a valuable delivery of legal services to this sector.

Your Committee is in agreement that continued operation of the Legal Aid Society of Hawaii is necessary at this time. Your Committee recommends that the Legal Aid Society of Hawaii meet monthly to review and amend its priorities as necessary and attempt to minimize turning away of potential clients whenever possible. In addition, your Committee recommends that cases presenting danger of physical violence to the client or the client's children be given immediate attention and be exempted from the two month waiting period presently required in domestic relations cases. Moreover, your Committee hopes that the client advocates are sensitive and responsive to the

particular, individual needs of the client.

Your Committee recommends amendments to the Act which delineate the reimbursement procedures to the State for new funds acquired from sources other than the State after June 30, 1976, specify that funds received from outside the State which are designated by terms of the grant to aid specific target population groups shall not be subject to the reimbursement provisions, and that allotments by the State shall be on a semi-annual basis. Also, your Committee has amended the Act to ensure access by state or related agencies to the Legal Aid Society of Hawaii files, submission of all future budget requests on forms prescribed by the Director of Finance, and that any decrease of the general fund appropriation shall not jeopardize the receipt of the increased amount from the non-general fund source.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 2626-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2626-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 44-76 Judiciary on H.B. No. 2181-76

The purpose of this Act is to provide funds for the State law enforcement planning and juvenile delinquency agency to develop a master plan for the criminally insane.

At the present time there is a demonstrated need for a rational and proper commitment treatment, and care of the criminally insane. Your Committee is in agreement that the State law enforcement planning and juvenile delinquency agency is presently the appropriate body to undertake the development of such a plan. Furthermore, your Committee recommends that the State law enforcement planning and juvenile delinquency agency form a Steering Committee to oversee the implementation of the master plan for the criminally insane and seek appropriate input from community agencies, both public and private, to carry out the study and development of the master plan. The following agencies have expressed a strong interest in this area: Hawaii Correctional Association Legislative Committee, Hawaii Medical Association, the John Howard Association, the Mental Health Association of Hawaii, the Hawaii Psychological Association and the Hawaii Psychiatric Society.

Your Committee recommends that the State of Hawaii appropriate \$25,000 out of the general revenues for making the study and development of the master plan. Such an amendment to this Act would be as follows:

(a) Section 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$25,000, or so much thereof as may be necessary, for making the study and development of the master plan mandated in Section 2.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 2181-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2181-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 45-76 Finance on H.B. No. 1998-76

The purpose of this bill is to appropriate moneys out of the general revenues of the State for the payment of certain tax refunds, judgments and settlements, and other miscellaneous claims against the State.

Your Committee received testimony under two short form bills, H.B. No. 1998-76 and H.B. No. 2156-76, and also received claims submitted by the Department of Budget and Finance under transmittal letters dated February 4 and 18, 1976.

Your Committee has reviewed the claims set forth in the testimony and transmittals from the Department of Budget and Finance and your Committee proposes that these claims be incorporated in its revision of H.B. No. 1998-76.

As amended by your Committee, this bill appropriates the total sum of \$69,742.72

representing 31 individual claims for legislative relief pursuant to Section 37-77 and Chapter 662, Hawaii Revised Statutes. Your Committee recommends the payment of these individual claims be authorized by the Legislature.

Your Committee on Finance is in accord with the intent and purpose of H.B. No. 1998-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1998-76, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 46-76 Finance on H.B. No. 2161-76

The purpose of this Bill is to permit the Director of Finance to delegate to the Deputy Director of Finance, with the approval of the Governor, duties and responsibilities relative to state bonds.

Under the present statute there is some question as to whether the Deputy Director of the Department of Budget and Finance can sign bonds issued by the State. This authority should be allowed to provide maximum administrative flexibility in the operations of the Department of Budget and Finance.

The programs of the Department and the responsibilities of the Director of the Department have increased greatly in recent years. State financial management generally has become increasingly complex, Hawaii's bond sales have increased, the budgeting process has grown, as has the electronic data processing function. In addition to these primary functional responsibilities, the Department also has several significant boards and commissions attached for administrative purposes.

Your Committee agrees that the responsibility of the Director for signing loans is purely a ministerial task and the delegation of this function to the deputy director is in the State's best interest.

Your Committee recommends that this bill be revised so that the language clearly limits the delegation of responsibility to that of signing bonds.

Your Committee on Finance is in accord with the intent and purpose of H.B. No. 2161-76 as amended herein and recommends that it pass Second Reading in the form attached hereto on H.B. No. 2161-76, H.D. 1 and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 47-76 Legislative Management

Informing the House that House Bill Nos. 2874-76 to 2981-76, House Resolution Nos. 272 to 283, and House Concurrent Resolution Nos. 42 to 45 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 48-76 Health on H.R. No. 46

The purpose of this Resolution is to request the House Committee on Health to review the community placement program and the alternative types of placement arrangements that may be made for Waimano residents under this program.

The community placement program has emerged as an alternative approach to the care of the developmentally disabled. It is part of a proposed concept of deinstitutionalization which will establish a community based treatment system for the developmentally disabled.

The Department of Health has submitted a proposal to adopt the policy of deinstitutionalization of the treatment of the developmentally disabled. The proposal would involve the reorganization of services to the mentally retarded and the establishment of a new division, the developmental disabilities division, consisting of two branches:

(1) Waimano Training School and Hospital Branch; and (2) Community Services Branch.

The community services branch would be responsible for a continuum of coordinated services for the mentally retarded in the community by districts. One component of this continuum of services is the community group home program.

The community group home will provide an alternative to institutional care for both children and adults. It is envisioned as a training facility for children and adults run by professionals, managed by a non-profit agency whose purpose is to provide high quality habilitation programs suited to the needs of the persons placed in the home. Community group homes are to be operated on contract with the Department of Health and the Department is to maintain responsibility for quality control through monitoring and evaluating each home in the system.

Only persons able to live in the community will be placed in community group homes and only after a personalized treatment regimen is prescribed. By 1980, the Department expects to have 300-350 developmentally disabled persons placed in the community and, thereby reducing the patient census at Waimano Training School and Hospital.

Your Committee is particularly concerned over the assurance of maintaining a quality program and recognizes that unless close monitoring of homes is established, developmentally disabled persons in group homes may not be effectively treated. The Department of Health has assured your Committee that a professional will be assigned to monitor a specific number of homes and will periodically review the progress of the patient and the condition of the group home. Further, the Department intends to hold workshops and training programs for community group home personnel.

According to testimony, the experience of a group home on Maui shows that high quality standards of care can be maintained in such a setting. However, your Committee was cautioned that any form of community accommodation for the treatment of the developmentally disabled should be supported by personnel training and follow-up services for each resident.

Your Committee feels that close attention should be paid to maintaining high quality services in group homes.

Your Committee is concerned over the status of Waimano Training School and Hospital under deinstitutionalization, especially in view of a budget request for \$1.2 million to upgrade Waimano facilities and personnel. The Department of Health has informed your Committee that regardless of deinstitutionalization, facilities at Waimano will have to be improved to meet medicaid standards in order to qualify for reimbursements. Further, under a recent judgment issued by the Circuit Court in the "Right to Treatment" suit, the State will be required to meet medicaid standards at Waimano by 1979. Your Committee also notes that deinstitutionalization does not mean that there will no longer be a need for a facility such as Waimano. According to the Department of Health, a certain segment of the developmentally disabled population will always require intensive care as provided at Waimano.

Your Committee has amended the resolution to clarify the intent and purpose of the Committee which is to review the present community placement program within the context of a comprehensive program for the developmentally disabled.

Further, the Committee has amended the date by which the Committee on Health is to report its findings and recommendations from "before the end of the Regular Session of 1977" to "before the end of the Regular Session of 1976."

Your Committee on Health is in accord with the intent and purpose of H.R. No. 46 as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 46, H.D. 1.

Signed by all members of the Committee.

SCRep. 49-76 Legislative Management

Informing the House that House Bill Nos. 2982-76 to 3458-76, House Resolution Nos. 284 to 307, House Concurrent Resolution Nos. 46 to 51, and Standing Committee Report Nos. 50-76 to 64-76 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 50-76 Housing on H.B. Nos. 2491-76 and 2590-76

1. H.B. No. 2491-76 entitled: "A BILL FOR AN ACT MAKING A SUPPLEMENTAL APPROPRIATION FOR RENOVATION OF KITCHEN AND BATHROOM FACILITIES AT PALOLO HOUSING, PALOLO, HONOLULU."

The purpose of this bill is to appropriate funds for the renovation of kitchen and bathroom facilities at Palolo Housing, Palolo, Honolulu.

2. H.B. No. 2590-76 entitled: "A BILL FOR AN ACT RELATING TO MAKING AN APPROPRIATION FOR THE CONTINUED OPERATION OF THE INTER-AGENCY COUNCIL."

The purpose of this bill is to appropriate the sum of \$25,000 to be matched with funds from the United States Departments of Housing and Urban Development and Health, Education and Welfare for the continued operation of the Inter-Agency Council at Kuhio Park Terrace in Kalihi.

Your Committee on Housing is in accord with the intent and purpose of H.B. Nos. 2491-76 and 2590-76 and recommends that these pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 51-76 Housing on H.B. No. 2015-76

The purpose of this bill is to mandate the Department of Land and Natural Resources to complete and maintain a current inventory of all State-owned lands suitable and available for residential development.

The inventory would help facilitate future planning by providing all concerned parties with an accessible and comprehensive picture of all suitable and available land resources for residential development.

Upon consideration of this bill your Committee has clarified the meaning of "suitable and available lands" by providing that this inventory shall include all State-owned lands which are or may be suitable and available for residential development, including State-owned lands presently in use as, but which may be more extensively developed for, residential purposes, regardless of present land use designation or county zoning. The clarification is intended to ensure that the inventory will be as complete as possible and will not include just those lands which are presently located in urban areas and zoned for residential uses. The inventory should provide the total lands which may be available for residential development. The inventory should also give the State a better perspective of land utilization in order to plan for land use and/or zoning changes which may be necessary to provide for the needs of the State.

Your Committee on Housing is in accord with the intent and purpose of H.B. No. 2015-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2015-76, H.D. 1, and be referred to the Committee on Water, Land Use Development and Hawaiian Homes.

Signed by all members of the Committee except Representative Larsen.

SCRep. 52-76 Housing on H.R. No. 115

The purpose of this resolution is to request the Office of the Legislative Reference Bureau to conduct a review of the current housing assistance programs for renters administered or participated in by the Hawaii housing authority.

Thus far there has been no comprehensive study made which has been devoted to housing assistance payment programs. Such a study would seem both reasonable and appropriate since the Legislature has consistently supported public actions designed to assist citizens in finding reasonably priced shelter.

Your Committee has amended the original form of this resolution by deleting "the Senate concurring" on page 2, line 3.

Your Committee on Housing concurs with the intent and purpose of H.R. No. 115,

as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.R. No. 115, H.D. 1.

SCRep. 53-76 Housing on H.C.R. No. 20

The purpose of this resolution is to request the Office of the Legislative Reference Bureau to conduct a review of current housing assistance programs for renters administered or participated in by the Hawaii housing authority.

Thus far there has been no comprehensive study made which has been devoted to housing assistance payment programs. Such a study would seem both reasonable and appropriate since the Legislature has consistently supported public actions designed to assist citizens in finding reasonably priced shelter.

Your Committee on Housing concurs with the intent and purpose of H.C.R. No. 20 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee.

SCRep. 54-76 Health on H.B. No. 2048-76

The purpose of this bill is to provide funds to ensure the continuation of family planning services to those who are in need of such assistance.

Your Committee finds that Family Planning, as offered by publicly subsidized clinics, is viewed as a comprehensive service which offers educational, medical and social services as well as outreach necessary to aid individuals to determine the number and spacing of their children. As a result of Federal monies becoming available, a three-year-plan for Family Planning Services for the State of Hawaii was embarked upon by the State Department of Health in 1974. As an umbrella grantee for the Federal Title X grant and the master contractor for the Purchase of Services Title XX monies, the Department of Health's Family Planning Services office coordinates the activities of the publicly subsidized clinical services.

Family planning services are provided on a Statewide basis through contracts with Hawaii Planned Parenthood (12 clinics), Kapiolani Hospital's Family Planning Clinic, and UH-Student Health Services. The Department of Health also has services in rural areas through Maternal and Infant Care programs on Oahu and on the island of Hawaii, the Rural Oahu Family Planning Project, and family planning services on Lanai. In 1975, these clinics served approximately 17,000 unduplicated cases. Utilizing 200% of the State's poverty level as the base, it appears that approximately 33,600 low-income women will be at the risk of unplanned pregnancy and therefore, in need of publicly subsidized family planning services.

Funds for the operation of the Family Planning programs are dependent on Federal monies since only 6% of these operational funds are from the State. On January 29, 1976, the Department of Health was informed that there will be a 25% reduction (\$146,025) in the Title X, Public Health Grant for Family Planning services. Additionally, the projected deficit in Title XX reimbursements from DSSH under the Purchase of Service contract is estimated to be approximately \$150,000 for this fiscal year.

In view of the unstable Federal funds, the family planning program in the State is increasingly being placed in a precarious position. With decreased funding, services need to be curtailed and information, outreach and education will not be possible to reach the high risk and low income groups. Your Committee has therefore amended H.B. No. 204876 by providing an appropriation of \$300,000 to ensure family planning services at the current level.

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2048-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2048-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 55-76 Health on H.B. No. 2170-76

The purpose of this Bill is to change the title of Section 27-22 HRS, increase the

number of committee members from seven to nine, and to make a technical change involving the transfer of provisions relating to hospital administrators from Section 27-22 to Section 27-21, 2, HRS.

Your Committee finds that changing the title of Section 27-22 makes it correspond to the preferred wording of "county hospital advisory committee" as contained in the body of the section. Deletion of the word "general" permits the committee to act in an advisory capacity to those hospitals which are not general hospitals. The membership of the committees shall be increased from seven to nine to provide a broader base for advising the Director of Health on quality medical care, medical equipment and technology needed to render effective services, and in the assessment of and recommendations for new medical services and delivery system. Present provisions for appointing hospital administrators are intermixed with management advisory committees and committee members in Section 27-22. A more appropriate location is in Section 27-21.2 which pertains to hospital personnel.

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2170-76 and recommends that it pass Second Reading and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee.

SCRep. 56-76 Health on H.B. No. 2050-76

The purpose of this Act is to extend opportunities for programs and activities at Hawaii State Hospital by providing funds for the industrial therapy program.

Your Committee finds that the current program provides therapy for 40 patients with a 15-patient turnover per month. By expanding the program, some 15 more patients can be accommodated, thereby reaching the program goals in providing treatment and rehabilitation services to those patients in need of such therapy.

Your Committee further notes that, while farm therapy is part of industrial therapy, it is not recommended that an elaborate farm production unit be established. Instead, your Committee feels that the present plant nursery program should be doubled with the addition of one employee and funds for additional fencing.

Your Committee has therefore amended H.B. No. 2050-76 by providing an appropriation of \$36,469.

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2050-76 as amended herein, and recommends it pass Second Reading and be referred to the Committee on Finance, in the form attached hereto as H.B. No. 2050-76, H.D. 1.

Signed by all members of the Committee.

SCRep. 57-76 Health on H.B. No. 2051-76

The purpose of this Act is to ensure a high quality of treatment and services at Hawaii State Hospital by providing an appropriation for in-service training and career development programs.

Testimony presented before your Committee indicated that in-service training programs have been very limited, both in the frequency of offerings and the number of participants. The causes of this condition were attributed to the absence of leadership structure in nursing service to stress the need for training, the lack of staff to relieve those attending training session, and the lack of training funds.

This finding of the Committee is supported by Special Committee Report No. 13-76 in which an interim committee directed to study and review programs at Hawaii State Hospital found that "in-service training has been minimal. The number of in-service training classes was poor, and appropriateness of course content could be improved."

Your Committee feels that a strong in-service training program will contribute much to the quality of services at the hospital. Therefore, your Committee is providing funds for:

- (1) A director of nurses position to ensure quality of nursing services;
- (2) A coordinator of in-service training to be responsible for the training and coordination of quality care and other services; and
- (3) Training funds.

Your Committee has therefore amended H.B. No. 2051-76 to include an appropriation of \$35,172 (HTH 494).

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2051-76, as amended herein, and recommends it pass Second Reading and be referred to the Committee on Finance, in the form attached hereto as H.B. No. 2051-76, H.D. 1.

Signed by all members of the Committee.

SCRep. 58-76 Public Assistance and Human Services and Health on H.B. No. 2101-76

The purpose of the bill as amended herein, is to amend Chapter 40, Hawaii Revised Statutes, by adding a new section which permits the comptroller to issue warrants for original warrant vouchers, without accompanying original bills with regard to payments to providers of the Hawaii State Medicaid Program. The bill provides that the original bills shall be retained by the expending agency vouchering payment. For purposes of this section, the definition of original bills was expanded to include computer magnetic tape, computer listings, computer output microfilm, microfiche, and manually produced microfilm.

The original purpose of the bill was to amend Chapter 40, Hawaii Revised Statutes, to permit the acceptance of copies of original warrant vouchers in place of the original voucher for purposes of bookkeeping and issuing warrants for supplies, incidentals and on account of contracts. Your Committees find the original bill wholly unnecessary to the intent of streamlining the billing process of the State's Medicaid Program.

The amended bill which permits acceptance of original bills by the expending agency in non-document forms, fulfills the intent of proposed changes. Health care providers with the capability of producing original bills in forms such as computer magnetic tape or microfilm would be able to submit these to the Hawaii Medical Service Association for processing and the need for generating paper documents to serve as original bills would be eliminated. Furthermore, the time element involved in claims processing by the Hawaii Medical Service Association and in preparing warrant vouchers by the Department of Social Services and Housing would be substantially reduced. Thus, one effect of this bill would be to speed up the payment process to providers under the Medicaid Program.

The bill would also eliminate the requirement that the Department of Accounting and General Services must obtain and retain original bills for payments under Medicaid. Presently, original bills are not mechanically necessary to the preparation of warrants; the warrant voucher from the expending agency is the vital document. The bill provides for the Department of Social Services and Housing, as the expending agency, to retain possession of the original bills.

Testimony received from the Department of Accounting and General Services, and the Department of Social Services and Housing, was not favorable to the original bill. Both parties are favorable to and support the enactment of the amended version of the bill.

Your Committees on Public Assistance and Human Services and Health are in accord with the intent and purpose of H.B. No. 2102-76, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2101-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 59-76 Public Assistance and Human Services on H.B. No. 2106-76

The purpose of this Act is to appropriate the sum of \$63,000 out of the State's general revenues to the Salvation Army for the operation of their Hilo Interim Home. The

Department of Social Services and Housing is designated as the expending agency.

Hawaii County currently needs three levels of shelter care to serve its delinquent and pre-delinquent teenage population: a detention-emergency facility, an interim shelter facility, and a long-term shelter facility. The Hilo Interim Home project, through its shelter care services to teenage girls, helps to alleviate the community's problem of providing for temporary shelter needs. This project is the only viable shelter alternative for delinquent teenage girls other than the Hawaii Interim Correctional Facility, an adult facility. The program is designed to serve the referring agencies, e.g. the Police, Family Court, Department of Social Services and Housing.

The Hilo Interim Home project is presently funded with Law Enforcement Assistance Administration Pilot Project money and fees charged to referring agencies for per day expenses. Financial support from the Law Enforcement Assistance Administration will be terminated in June, 1976, when the project's demonstration period ends. An extension will be granted only if local support for the project is assured. Fees for service received from referring agencies are not sufficient to support the program in its entirety; without long term funding to cover fixed operating costs, the higher fees that would necessarily be charged to referring agencies would prohibit participation in the program.

The Department of Social Services and Housing, designated as the expending agency, supports the enactment of this bill.

Your Committee on Public Assistance and Human Services is in accord with the intent and purpose of H.B. No. 2106-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 60-76 Consumer Protection and Commerce on H.B. No. 2226-76

The purpose of this bill is to increase licensing and examination fees for the insurance industry assessed by the Insurance Division of the Department of Regulatory Agencies.

The licensing and examination fees for the insurance industry were last raised in 1964 and the costs of the Insurance Division have increased substantially since that time. The increased fees proposed by this bill will provide a more realistic relationship between the revenue generated by such fees and the cost of services rendered by the Insurance Division.

Your Committee is in agreement that an increase in fees is justified and will not place an undue burden on licensees.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.B. No. 2226-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 61-76 Consumer Protection and Commerce on H.B. No. 2227-76

The purpose of this bill is to increase the fees for safety identification decals or emblems and for safety inspections for motor carriers or private carriers under the jurisdiction of the Public Utilities Commission.

Under present law, motor carriers or private carriers under the jurisdiction of the Public Utilities Commission are required to pay an annual fee of \$3 for each motor vehicle for decals and emblems required during the year. However, the 1968 Highway Safety Act, as amended, requires semiannual safety inspection of all vehicles subject to the commission's jurisdiction. This requires that two decals or emblems be issued for each motor vehicle annually and this bill would assess a \$3 fee for each decal or emblem.

Further, the present law provides for a charge of \$3 for a safety inspection. Since this \$3 charge was authorized by law in 1961, the cost of inspection equipment and qualified personnel employed by inspection stations has increased. Moreover, the inspection stations, now staffed by first-class mechanics, are required to check complex

air-brake systems, trailer unit connections and to engage in other complex inspection activities.

Your Committee is in agreement that the increase in fees authorized by this bill are justified.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.B. No. 2227-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 62-76 Consumer Protection and Commerce on H.B. No. 2228-76

The purpose of this bill is to authorize the public utilities commission to effect service upon a motor carrier by publication in cases where the commission proposes to take action against a carrier's certificate and the carrier cannot be served personally or by registered or certified mail.

Under present law, a motor carrier's certificate or permit may be suspended, revoked or changed upon notice and hearing. In many cases, however, a motor carrier is no longer located within the state and the commission is unable to locate the carrier and, therefore, cannot give notice by registered or certified mail. This bill would allow the commission, in such cases, to serve notice by publication and proceed against the carrier's certificate.

Your Committee has amended the bill to clarify the circumstances under which service by publication may be utilized and the manner in which such service is to be effected.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.B. No. 2228-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2228-76, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 63-76 Finance on H.B. No. 2232-76

The purpose of this bill is to raise the rent supplement payment ceiling for elderly persons.

This bill proposes to increase the rent supplement ceiling from \$70 to \$90 to elderly persons who qualify for rental assistance. This adjustment will provide relief to the elderly who are generally in greater need of rental assistance due to their relatively low fixed incomes. The increase proposed in this bill will not piggyback any federal rent subsidy or housing projects.

The rental assistance to qualified persons, other than the elderly, remains at a \$70 maximum.

Your Committee on Finance is in accord with the intent and purpose of H.B. 2232-76 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 64-76 Finance on H.B. No. 2246-76

The purpose of this bill is to exclude the campus center special fund of the University of Hawaii from the assessments charged by the Director of Finance against state special funds.

The Director of Finance is authorized to make assessments from time to time for the purpose of defraying the central service expenses incurred in the management of state special funds. However, certain special funds are exempt from these assessments-- school cafeteria special funds, special funds for student housing, the division of continuing education and community service, and the bookstores of the University

of Hawaii.

This bill will exclude the campus center special fund from management service assessments, and Sections 36-27 and 36-30 of the Hawaii Revised Statutes are to be amended to reflect this exemption.

This bill was previously reported out by the House Committee on Higher Education, and this Committee agrees with the findings expressed in House Standing Committee Report No. 35-76.

Your Committee on Finance is in accord with the intent and purpose of H.B. 2246-76 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 65-76 Consumer Protection and Commerce on H.B. No. 2127-76 (Majority)

The purpose of this bill is to authorize the Office of Consumer Protection to issue subpoenas requiring the production of books, papers, documents and objects in connection with its investigations.

Under present law, the Office of Consumer Protection is empowered to issue subpoenas to any individual or to any director, officer, employee or agent of any business organization in the State during the course of its investigations. However, the statute is unclear as to whether that office may issue subpoena duces tecum to require the production of books, papers, documents or objects which are relevant to an investigation. This bill would make it clear that the Office of Consumer Protection has such authority.

Your Committee on Consumer Protection is in accord with the intent and purpose of H.B. No. 2127-76 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

Representative Carroll did not concur.

SCRep. 66-76 Consumer Protection and Commerce on H.B. No. 2537-76

The purpose of this Act is to provide for representation of each county on the Motor Vehicle Industry Licensing Board.

Under present law there is no requirement that the members of the seven member Motor Vehicle Licensing Board be residents of any particular county. This bill would ensure that each county is represented on the Board by requiring that four members be from the City and County of Honolulu and that there be one member from each of the counties of Kauai, Maui, and Hawaii.

In order to make clear that members will receive no compensation for their services but will be reimbursed for any necessary expenses incurred in the performance of their duties, your Committee has made an appropriate amendment to the bill.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.B. No. 2537-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2537-76, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 67-76 Consumer Protection and Commerce on H.B. No. 2231-76

The purpose of this bill is to clarify the biennial license renewal requirements for acupuncturists and pest control operators.

During the 1975 session of the legislature, the laws relating to the various regulatory boards and commissions were amended to provide for biennial, rather than annual renewal of licenses. However, due to oversight, there are certain technical defects in the renewal provisions relating to the laws regulating the practice of acupuncture

and pest control operators.

Specifically, in the law dealing with acupuncture, the present wording requires a licensee to reregister "each year". This bill would delete the words "each year" and substitute therefor the word "biennially". In the law dealing with pest control operators, the present wording requires the renewal fee to be paid "each year". This bill would change the wording to "each even-numbered year".

In making these corrections, your Committee notes that the revisor of statutes has noted these clerical errors and made appropriate corrections as authorized by Section 2-6, Hawaii Revised Statutes.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.B. No. 2231-76 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 68-76 Consumer Protection and Commerce on H.B. No. 2612-76

The purpose of this bill is to allow persons who recover damages from the real estate recovery fund to also recover reasonable attorney fees and court costs.

Under present law, persons who are eligible to recover from the real estate recovery fund may recover damages sustained through the fraud, misrepresentation or deceit of a licensed real estate broker or salesman. No specific mention is made of recovery of court costs and attorney fees in obtaining the judgment upon which claim is made upon the recovery fund. This bill would authorize recovery of court costs and reasonable attorney fees from the recovery fund.

Your Committee is in agreement that recovery of court costs and attorney fees should be allowed in order that, to the greatest extent possible, persons who have suffered losses are made whole.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.B. No. 2612-76 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 69-76 Consumer Protection and Commerce on H.B. No. 2224-76

The purpose of this bill is to require industrial loan companies which issue investment certificates under Chapter 408, Hawaii Revised Statutes, and debentures under Chapter 485, Hawaii Revised Statutes, to submit to the bank examiner at their own expense, certified audits of their books and records.

There are two types of industrial loan companies operating in Hawaii:

1. Industrial loan companies soliciting funds from the general public by the sale and issuance of investment certificates.
2. Industrial loan companies which do not solicit funds from the general public except through the sale of capital stock of the company.

This bill will be applicable only to those industrial loan companies in the first category. There are 27 industrial loan companies in this group. Under this bill each such company will be required to submit to the bank examiner within ninety days after the close of its books on a fiscal or calendar year, a certified audit of its books and records made by an independent certified public accountant.

Your Committee is in agreement that the requirements of this bill will provide needed protection for investors and stockholders of industrial loan companies which solicit funds from the general public by providing the bank examiner, investors, and stockholders with an evaluation of the financial condition of such companies.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.B. No. 2224-76 and recommends that it pass Second Reading and

be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 70-76 Legislative Management

Informing the House that House Resolution Nos. 308 to 315, Standing Committee Report No. 48-76, Standing Committee Report Nos. 50-76 to 69-76, and Standing Committee Report Nos. 71-76 to 78-76 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 71-76 Higher Education on H.B. No. 2407-76

The purpose of this Act is to amend the Hawaii Revised Statutes to allow the University of Hawaii to concurrently register a State Scholarship holder at two or more campuses without having to make use of two scholarship units.

Your Committee is cognizant that there are certain academic programs offered at University of Hawaii campuses which require that a student register at more than one campus during the same semester in order to gain training in certain skills unavailable at the campus at which the student is seeking a degree. For example, an individual who is training to become a Vocational Education teacher takes his professional education courses at the Manoa Campus and his technical skill courses at Honolulu Community College.

Your Committee is also aware that the existing statutes recognize the dichotomy between the baccalaureate system and the community college system and require that financial aid units for each system be adjusted annually. The adjustments are based upon the ratio of full-time undergraduates in the baccalaureate system to full-time undergraduates in the community college system. When a student is enrolled at both a community college and a baccalaureate college and is receiving financial aid, two financial aid units must be charged; one to the community college and one to the baccalaureate college. The result is that one less financial aid unit is available to the second campus at which the student is enrolled.

Your Committee supports the amendment which will allow a campus which enrolls concurrent students, who are holders of State scholarships, not to count the exemption unit against its assigned quota of scholarship units.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2407-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 72-76 Higher Education on H.B. No. 2382-76

Your Committee heard testimony from the Academic Planner in the Office of the Vice President for Academic Affairs and finds as follows:

The College Work-Study Program (CWSP) provides employment to financially needy students, allowing them to earn a portion of their college expenses. The University of Hawaii has participated in the program for 12 years. Payroll costs are shared by the State (20%) and Federal government (80%).

Subsequent to the preparation by the University of the 1974-76 biennium budget, the Federal government drastically increased Federal funding at the national level for CWSP (from \$290,000,000 in FY 1974 to \$418,000,000 in FY 1975 to \$390,000,000 in FY 1976). Not anticipating such a tremendous increase in Federal support of this program when preparing FY 74-76 budgets in late 1973, the University of Hawaii did not provide sufficiently for matching funds for CWSP. Last year the State Legislature supplemented the CWSP with \$96,500 to overcome this problem. This year, the second year of the biennium budget, the University again will need a supplementary appropriation to meet the CWSP matching requirement. Such supplement will allow the University to make use of all Federal funds available to its campuses under this program.

Your Committee is aware that the University Campus requiring supplemental funds is the Manoa Campus, where it has been calculated that an additional \$106,680 is necessary to match Federal funds for the College Work-Study Program. Therefore, your Committee recommends that H.B. No. 2382-76 be amended, such that \$106,680 is appropriated for FY 76-77 for the College Work-Study Program at the University of Hawaii.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2382-76, as amended herein and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2382-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 73-76 Higher Education on H.B. No. 2041-76

The purpose of this Act is to make an appropriation for the Pre-Admission program of the University of Hawaii School of Law.

Your Committee heard testimony from the Director of the Pre-Admission program and finds as follows:

Your Committee firmly believes that one of the primary missions of the University of Hawaii School of Law is to provide legal educational opportunities for disadvantaged segments of the population. A major concern in this area is the underrepresentation in the Bar of certain ethnic groups, Hawaiians, Filipinos, and Samoans. For example, based on 1973 statistics, while Hawaiians and part-Hawaiians were 18% of the state's population, they comprised only about 2% of the Bar. Filipinos, who comprise 12% of the state's population, account for only 1% of the Bar. And Samoans, who make up about 1.3% of the population, have no representation at all.

Your Committee is aware that the traditional criteria utilized for admission to law schools (scores on the Law School Aptitude Test and cumulative grade point averages) would prevent the School from admitting as many students of disadvantaged backgrounds as desired. In addition, the traditional criteria for entrance into law school have been seriously criticized as culture-bound and not truly predictive of success in law school for certain groups of applicants. The Pre-Admission program deals with this problem by providing an opportunity for selected applicants to exhibit an ability based on actual performance in law school work rather than on past academic record and test scores.

Your Committee is also aware that many of the applicants from disadvantaged backgrounds will be capable of successful law school work if given a year of closely supervised study in the law and remedial assistance.

In its present form, the Pre-Admission program includes a special course designed to develop reading, writing and analytical skills, a regular first-year law school course with tutorial assistance and weekly academic and personal counseling with the Director of the program.

A student who successfully completes the Pre-Admission program is permitted to enter the Law School as a regular first-year student. The student has the advantage of a lightened first-year course load because of the completion of two regular courses during the Pre-Admission year.

During the 1975 Legislative Session, the Legislature made clear its support of the Pre-Admission program and mandated that the program continue during the biennium with at least ten students per year. Your Committee reaffirms its support of the program and recommends that H.B. No. 2041-76 be amended, such that \$26,500 is appropriated for FY 76-77 for the Pre-Admission program of the University of Hawaii School of Law.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2041-76 as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2041-76, H.D. 1 and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 74-76 Environmental Protection on H.B. No. 2404-76

The purpose of this bill is to appropriate \$35,000 or so much thereof as may be necessary, to be expended by the Department of Land and Natural Resources, so that the State of Hawaii may qualify for Federal funds to continue the Youth Conservation Corps Program.

Your Committee finds that the Youth Conservation Corps Program was established under Public Law 92-597, 1972. Its three main objectives are to: (1) accomplish needed conservation work; (2) provide employment for 15 through 18 year-olds; and (3) develop an understanding and appreciation of our natural environment and heritage. In 1974 grants to states establishing Youth Conservation Corps programs were authorized.

Act 195/75, Part V, appropriated \$25,000 so Hawaii would qualify for the additional matching Federal funds. The appropriation was restricted, but available funds were found within the Department. The program was established in the summer of 1975.

The thirty participants reflected the sexual, social, economic, and ethnic base of public high schools. The Department of Education conducted the recruitment. A residential camp was established on the Island of Hawaii. The projects included trail maintenance and noxious weed control in the Puu Huluhulu Native Tree Sanctuary, maintenance of the Puu Oo - Kaumana and Kipuka Loop Trails, Kahinahina Silversword fence construction, Nene pen work, timber management and development and maintenance of recreation facilities. The youths increased their understanding of man's impact upon the environment. The program made them aware of environmental concerns and exposed them to alternative methods and possible solutions, which will aid them in making future contributions to wise land use management. They learned many skills, such as plant and wild life identification, use of tools, and safety procedures. Group living conditions at the camp teach participants to meet, share, adjust, and cooperate with others. Pre-camp and post-camps physical fitness tests were given to participants. The results showed a marked improvement in their physical capabilities after the eight-week program.

A Federal grant of \$35,000 is available. Realizing the value of the program, the Department of Land and Natural Resources requested \$35,000 in the supplemental budget. This request was denied.

Your Committee believes this program provides a valuable education and gainful employment to youths. It also gives participants an opportunity to become more self-reliant and confident.

Your Committee on Environmental Protection is in accord with the intent and purpose of H.B. No. 2404-76 and recommends it pass second reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Fong.

SCRep. 75-76 Environmental Protection on H.B. No. 2072-76

The purpose of this bill is to repeal Sections 235-11, 237-27.5, 238-3(j) and 246-34.5, HRS, relating to tax deductions and exemptions for pollution control devices.

Presently, Section 235-11 provides that subject to other provisions every taxpayer may elect to amortize certified pollution control facilities over a period of 60 months; Section 237-27.5 provides that air pollution control facilities shall be exempt from the general excise tax; Section 238-3(j) exempts air pollution control facilities from the state use tax; and Section 246-34.5 exempts certified air pollution control facilities from the real property tax law. In all of the above cited sections, there is required a certification of approval from the Department of Health that the facilities conform with its pollution program.

The purpose of Section 235-11 (Act 133-70) was to "encourage the purchase, construction or reconstruction and installation of pollution control facilities by allowing a taxpayer, as a tax deduction, the accelerated amortization schedule." The other above cited sections (Act 134-70) was to provide "tax exemptions and rapid amortization of air pollution control facilities that would give industry a tax relief and serve as an incentive to encourage business to participate and contribute in the control of air pollution."

The Department of Health has stated that the application for certification approval is not an involved and difficult process yet only one company, Shell Oil Co., has applied for and received the approval. This approval was granted on April 28, 1975. Shell Oil and the Department of Health has no objections to the passage of H.B. No. 2072-76. The Department of Taxation has testified in favor of passage.

Your Committee finds that these tax exemptions have not served as an incentive for business to initiate pollution control facilities and, therefore, fall outside of the purview of the total tax program of the state.

Your Committee on Environmental Protection is in accord with the intent and purpose of H.B. No. 2072-76 and recommends that it pass second reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 76-76 Youth and Elderly Affairs on H.B. No. 2024-76

The purposes of this Act are: (1) to provide enabling legislation for the continuation by the state of the University of Hawaii tuition-free non-credit course program for senior citizens, instituted by federal legislation with federal funds; (2) to combine the administration of this program with that of the existing state University of Hawaii free education programs for the elderly; and (3) to appropriate out of the general revenues of the State of Hawaii the sum of \$90,592 for FY 1976-77 or so much as is necessary to carry out the purposes of this Act.

Retirement from the active labor force results not only in a reduction of income, cut in the disruption of the social structure which provides basic satisfaction while working; it may also cause loss of stimulation from formal and informal social and intellectual interaction. Inability to replace such losses with new and rewarding experiences frequently leads to mental deterioration, loneliness and apathy. All of which combine to hasten the necessity for some form of institutional care.

One of the major recommendations made by the White House Conference on Aging was for each state to make its educational resources easily accessible to its elderly residents in order to provide the elderly with a positive and meaningful alternative to economic productivity. In addition to offering opportunities for contact with the outside world, for mental stimulation and for a sense of continued growth and accomplishment, participation in educational discussions provides an avenue for the elderly to impart to younger students the knowledge they have gained through life experiences.

Limited financial resources, however, have been a barrier to senior citizens' enrollment in courses offered by the University of Hawaii System.

After hearing testimony from the Hawaii State Commission on Aging, the National Retired Teachers Association and American Association of Retired Persons, the City and County of Honolulu Department of Recreation Advisory Council, and the Kokua Council, among others; and after seeing other instances of senior citizens' strong support for these programs, your Committee is convinced that Hawaii's efforts to remove the barriers to participation have been an unqualified success, with a total of over 2,500 elderly students throughout the state, from diverse income levels and social groups served by the tuition-exempt and tuition-free programs in FY 1975-76. For the foregoing reasons your Committee deems it important to ensure the continuation of these programs.

The free university program for people 60 years of age and over is currently divided into three separately administered parts: (1) state tuition-waiver for regular credit courses on a space-available basis. This phase requires no state or federal funding; (2) state tuition-exemption program for credit courses, implemented with state funds; and (3) tuition-free program of non-credit courses, initiated by federal legislation and instituted with federal Title III Model Projects funds.

Your Committee finds that the separate administration of the above mentioned programs has caused fragmentation of services, lack of public awareness, poor coordination and, most serious of all, general confusion for senior citizens. In view of this situation, your Committee, pursuant to testimony received from the State Commission on Aging, proposes to combine the three programs into one for administrative purposes.

Your Committee has amended Section 2 of this Act by supplying the sum to be appro-

apropriated, \$90,592. To this appropriation has been attached a proviso, as follows:

provided, that no more than \$10,000 shall be expended for the purpose of administering the combined credit and non-credit programs.

Both the amount and the proviso were inserted with the concurrence of the State Commission on Aging and after consultation with the present administrator of the credit program and the past administrator of the non-credit program. The funds appropriated are to be distributed to and administered by each campus interested in participating in this program.

Your Committee has further amended this Act by adding a new Section 4 as follows:

These programs shall be administered by the Hawaii State Commission on Aging or, if it is established, the executive office of aging, and implemented by the University of Hawaii.

The addition of this section reflects your Committee's decision to place programs for the elderly under the aegis of the Commission on Aging or, if established, the executive office of aging whenever possible in order to avoid duplication of effort and to avail the state of all other benefits which such consolidation provides.

For the purpose of consistency with the foregoing amendments your Committee has amended Section 3 of this Act so as to make the Department of Budget and Finance the expending agency, rather than the University of Hawaii.

Also for consistency, Sections 4 and 5 of this Act have been renumbered 5 and 6 respectively.

Your Committee on Youth and Elderly Affairs is in accord with the intent and purpose of H.B. No. 2024-76, as amended herein, and recommends that it pass Second Reading and be referred to the Committee on Finance in the form attached hereto as H.B. No. 2024-76, H.D. 1.

Signed by all members of the Committee.

SCRep. 77-76 Housing on H.R. No. 9

The purpose of this resolution is to request that an ad hoc committee be established to study new developments in the housing industry, and to examine existing county building codes as they relate to these new developments.

Your Committee is in accord with testimony presented that new and innovative materials, techniques and designs, hitherto unexploited in this State, should be comprehensively studied and evaluated. Concomitantly, existing county building codes have to also be examined to determine whether amendments have to be effectuated in order to incorporate these new developments.

Your Committee upon consideration of this resolution recommends that, instead of the Legislature, the Department of Building of each of the counties of Honolulu, Maui, Hawaii and Kauai be delegated the responsibility of conducting the study. Your Committee feels that the counties would be a more appropriate body to conduct this study, as the County building codes would come under their jurisdiction.

Further, your Committee also recommends that findings and recommendations regarding amendments of the respective County building codes be reported to the Legislature at least twenty days prior to the convening of the Regular Session of 1977.

Your Committee on Housing concurs with the intent and purpose of H.R. No. 9, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 9, H.D. 1.

Signed by all members of the Committee.

SCRep. 78-76 Housing on H.C.R. No. 3

The purpose of this concurrent resolution is to request that an ad hoc committee be established to study new developments in the housing industry, and to examine

existing county building codes as they relate to these new developments.

Your Committee is in accord with testimony presented that new and innovative materials, techniques and designs, hitherto unexploited in this State, should be comprehensively studied and evaluated. Concomitantly, existing county building codes have to also be examined to determine whether amendments have to be effectuated in order to incorporate these new developments.

Your Committee upon consideration of this concurrent resolution recommends that, instead of the Legislature, the Department of Building of each of the counties of Honolulu, Maui, Hawaii and Kauai be delegated the responsibility of conducting the study. Your Committee feels that the counties would be a more appropriate body to conduct this study, as the County building codes would come under their jurisdiction.

Further, your Committee also recommends that findings and recommendations regarding amendments of the respective County building codes be reported to the Legislature at least twenty days prior to the convening of the Regular Session of 1977.

Your Committee on Housing concurs with the intent and purpose of H.C.R. No. 3, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 3, H.D. 1.

Signed by all members of the Committee.

SCRep. 79-76 Legislative Management

Informing the House that House Resolution Nos. 316 to 319, House Concurrent Resolution No. 52, and Standing Committee Report No. 80-76 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 80-76 Youth and Elderly Affairs on H.B. No. 2023-76

The purpose of this Act is to adopt federal income tax provisions which allow for the deduction of household and dependent care expenses incurred for employment purposes.

Under the present State law, certain categories of taxpayers are granted limited income tax deductions for the care of a dependent child and also generally incapacitated dependents where these expenditures enable the taxpayer to be gainfully employed. The deduction is \$600 per year for one dependent not to exceed a total of \$900 for two or more, and is generally limited to a person whose combined family income does not exceed \$6000.

According to the Department of Taxation there have been no changes in the present Hawaii law since it first went into effect in 1965. Since 1965 the cost of living--the cost of child and/or dependent care inclusive--has risen dramatically. The cost of living in Hawaii today exceeds by at least 20 percent the cost of living in any other state of the union, with the exception of Alaska. At the present time the effect of this law is to give no tax break to a working couple with one dependent where the couple's combined income is \$6000.

The Federal government has seen fit to raise the ceiling from \$6000 to \$18,000 in 1971, and from \$18,000 to \$35,000 in 1975, in order to keep pace with increased care costs and to provide benefits to low and middle income families. Tax experts in Hawaii have agreed that the change from \$18,000 to \$35,000 is justified, and this conclusion is supported by the testimony of the State Department of Taxation, which testified in support of H.B. No. 2023, which proposes to allow any taxpayer who maintains a household for anyone under age 15 for whom the taxpayer can claim a dependency deduction or for a spouse or other dependent who is incapable of self-care to earn up to \$35,000 and still be eligible for full deduction. The deduction allows \$200 per month for one dependent, \$300 for two, and \$400 for three or more (maximum allowable \$4800 per year). Expenses include household service expenses, child care expenses outside of the home, and similar expenses necessary to enable the taxpayer to be gainfully employed.

Your Committee finds that the passage and enactment of H.B. No. 2023-76 would:

1. Assist low and middle income families by the deduction of household dependent care expenses.
2. Assist families with dependent children, dependent elderly, or dependent handicapped and provide incentive to families to care for people in these situations.
3. Lower unemployment rolls by making it economically feasible for more people to work.
4. Help to remedy the discrimination against women.
5. Change the State tax deduction to conform to the Federal tax deduction and thereby simplify the process of filing tax returns.

Your Committee on Youth and Elderly Affairs is in accord with the intent and purpose of H.B. No. 2023-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 81-76 Youth and Elderly Affairs on H.B. No. 2298-76

The purpose of this Act is to appropriate out of the general revenues of the State of Hawaii the sum of \$20,000, or so much thereof as may be necessary to extend for one year the demonstration elderly day care facility located on the grounds of Wilcox Memorial Hospital, Lihue, Kauai.

Reports dealing with the condition of senior citizens, including Hawaii's own Comprehensive Master Plan for the Elderly, repeatedly stress the importance of maximizing independence and minimizing institutionalization. In addition, the most important goal of maintaining seniors at their highest possible level of mental and physical vitality, following this guide also conserves state funds by avoiding the high costs of unnecessarily intensive levels of institutional care.

Testimony received by your Committee from the Department of Social Services and Housing, the Salvation Army and the administration of Wilcox Memorial Hospital indicate that the demonstration day care center has been highly successful in furthering the above-mentioned goals. By providing care for seniors who are able to live at home but are unable to remain alone while members of their family work or attend school, the center has allowed these seniors to live in the community rather than being forced into institutions. Testimony by the center's administration indicated that in fact 10 persons who had already been placed in institutions were enabled to resume living at home due to the services afforded by the Wilcox Center.

Your Committee has amended Section 1 of this Act by supplying the sum to be appropriated, \$20,000. This \$20,000 from the State will generate \$60,000 in federal funds totalling the \$80,000 necessary for an additional year's operation.

Because the initial funding for the center came from the Department of Social Services and Housing, your Committee has amended Section 2 of this Act to read as follows:

SECTION 2. The sum appropriated shall be expended by the Department of Social Services and Housing for the purposes of this Act.

Your Committee on Youth and Elderly Affairs is in accord with the intent and purpose of H.B. No. 2298-76, as amended herein, and recommends that it pass Second Reading and be referred to the Committee on Finance in the form attached hereto as H.B. No. 2298-76, H.D. 1.

Signed by all members of the Committee.

SCRep. 82-76 Youth and Elderly Affairs on H.B. No. 2655-76

The purpose of this Act is to appropriate the sum of \$50,000 from the general revenues of the State of Hawaii to provide contractual services for the Day Activity Center and Outreach Program at Lahaina, Maui. The sum is to be expended by the Department of Health.

In 1969 the Maui Hale Hauoli Day Activity Center was formed to provide services to mentally retarded adults unable to participate in the established vocational rehabilitation programs. At the present time the Center has 35 enrolled in the program. There are 19 other Maui community residents who have been waiting for services for over two years. This list does not include any of the Department of Education students who are ready for placement at age 18 or who will reach age 20 by the end of this school year and who could greatly benefit from services such as those provided by the Center.

Your Committee recognizes that the appropriation of monies for the purpose of contractual services to provide day activity and outreach programs at Lahaina, Maui will aid in the implementation of the concept of deinstitutionalization and normalization for the mentally disabled. Furthermore the monies, if appropriated, would work toward the prevention of institutionalization and would serve to reduce or eliminate the number of community placements returning to the institution for lack of support services.

Your Committee on Youth and Elderly Affairs is in accord with the intent and purpose of H.B. No. 2655-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 83-76 Consumer Protection and Commerce on H.B. No. 2613-76

The purpose of this bill is to allow persons who recover damages from the contractors recovery fund to also recover court costs and fees as set by law and reasonable attorney fees.

Presently, under certain circumstances, a person aggrieved by an act, representation, transaction or conduct of a licensed contractor may recover his actual damages from the contractors recovery fund. No specific mention is made of recovery of court costs, other fees and attorney fees. This bill would allow recovery of these items of cost from the recovery fund.

Your Committee agrees that persons who suffer financial losses and incur court costs, fees and attorney fees in obtaining relief should be allowed to recover such costs and fees.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.B. No. 2613-76 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 84-76 Energy and Transportation on H.B. No. 1185

The purpose of the bill is to change the length of time for reporting the sale or use of fuel from one month to 21 days following the end of each month. The bill also adds a requirement for reporting the estimated supplies of fuel for the forthcoming month.

Your Committee finds that present Federal regulations provide for the reporting of estimated supplies of fuels in advance of each month. Information of this nature is necessary to plan for any contingencies which might arise in connection with fuel shortages and other emergencies, and to provide adequate information for the State's planning process. The bill, which amends Chapter 486E, H.R.S., will also provide for a continued supply of information in the event that Federal regulations are no longer required. The reason for changing the time required for reporting actual sales during the preceding month is to simplify the reporting process by making a common reporting date for both types of information.

Your Committee has amended the bill by changing the word "notorized" on line six to "certified" in order to expedite the filing of reports by liquid fuel distributors.

Your Committee on Energy and Transportation is in accord with the intent and purpose of H.B. No. 1185, as amended herein, and recommends that it pass Second Reading

in the form attached hereto as H.B. No. 1185, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 85-76 Energy and Transportation on H.B. No. 2006-76

The purpose of this Act is to exempt alternate energy improvements from real property tax.

The energy crisis of early 1974 called attention to Hawaii's almost total dependence upon imported petroleum for its energy requirements. And while fossil fuel resources are finite and diminishing, increases in demand necessitate the purchase of increasing quantities of foreign oil to make up the difference.

Hawaii is generously endowed with a variety and abundance of natural energy resources, including geothermal, solar radiation, ocean thermal, wind, waves, tides, and ocean current. Development of these alternate sources of energy can contribute significantly to our energy needs.

Presently, almost any structural component of improvement which is considered part of the building is included in the assessment of real property. Exemption of alternate energy improvements from real property tax would encourage corporate and individual taxpayers to use energy sources other than fossil fuels, or to reduce their use of these fuels.

Your Committee heard testimony from the Department of Taxation, the Department of Planning and Economic Development and private citizens favoring the concept of H.B. No. 2006-76 and recommending procedural and other changes. Accordingly, your Committee recommends the following amendments:

(1) That the application procedure for exemption and certification be changed in order to expedite the process. Such amendment would read as follows:

Application for exemption provided by this section shall first be made with the energy resources coordinator who shall, if satisfied that the facility meets the alternate energy improvement criteria established by the office of the energy resources coordinator, certify to that fact. Upon receipt of the certification from the energy resources coordinator, the director of taxation shall exempt the facility from the tax imposed by this chapter for a period of 10 years from the first day of January following commencement of construction or installation of the structure on the property for such purpose.

The director of taxation and the energy resources coordinator may adopt joint or separate rules under chapter 91 to implement this section;

- (2) That a 10 year limit be placed on exemption;
- (3) That subsection (c) be changed to (b) for the purpose of consistency;
- (4) That "coal" be deleted because it is a fossil fuel;
- (5) That nuclear fission be excluded from the provisions of this Bill because of its potential danger;
- (6) That the provisions for qualifying as an alternate energy improvement be deleted so that such criteria may be established by the energy resources coordinator and the director of taxation through the adoption of rules and regulations; and
- (7) That the effective date be changed from July 1, 1976 to January 1, 1977 to provide time for the adoption of rules and regulations for this section.

Your Committee on Energy and Transportation is in accord with the intent and purpose of H.B. No. 2006-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2006-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 86-76 Energy and Transportation on H.B. No. 2192-76

The purpose of this bill is to appropriate funds for the purchase and installation of lights on Kaukonahua Road from Thompson Corner to Weed Junction, Oahu.

Your Committee has amended the bill by deleting the words "mercury vapor" to provide for usage of other types of bulbs, and by adding the sum of \$30,000.00 as recommended by the Department of Transportation.

Your Committee on Energy and Transportation is in accord with the intent and purpose of H.B. No. 2192-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2192-76, H.D. 1 and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 87-76 Energy and Transportation on H.B. No. 2242-76

The purpose of this Act is to make the driver license categories more consistent by providing that buses be placed in categories according to weight.

Driver license categories specify vehicles by terminology intended to classify them by their relative complexity and character of vehicle operation.

Presently all buses fall into category (4) regardless of weight or complexity of operation. To obtain a category (4) license, an applicant must be examined by a certified fleet safety examiner.

Buses with a gross vehicle weight of ten thousand pounds or less are no more complex in operating than passenger cars or trucks of the same weight rating.

H.B. No. 2242-76 would place buses weighing less than ten thousand pounds into category (3) with trucks of the same weight.

Your Committee on Energy and Transportation is in accord with the intent and purpose of H.B. No. 2242-76 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 88-76 Energy and Transportation on H.B. No. 2005-76

The purpose of this bill is to institute a staggered work hour program for all state offices.

Your Committee finds that the dense urban district, stretching from Halawa on the west to Kahala on the east, contains most of the State's industry, business, and government facilities and is the focus of major social, cultural, educational, and recreational activities.

In terms of labor force, State and City government agencies which are predominantly located in urban Honolulu employ approximately 31,000 persons or approximately 13 per cent of the total civilian force on the island of Oahu. Translating these employees to vehicles on the road during the peak period, it is estimated, that the numbers would fall within the range of 18,000 to 21,000 cars.

At the present time, the peak traffic flow to and from suburban communities lasts about one and one-half hours on Kalaniana'ole Highway, two hours on the Windward corridor of Likelike and Pali Highways, and two hours on the Leeward corridors of Kamehameha Highway and Moanalua Road. A significant increase in traffic flow during peak traffic hours could be expected if the work hours of employees are staggered.

Hawaii's roads have adequate capacity to handle all but the heaviest peak hour traffic. The cost of constructing additional lanes would be unreasonably high, as additional lanes would be greatly underutilized during normal traffic hours. Staggered working hours can be used to maximize the through-put of vehicles in the future for a given corridor without building additional laneage. This concept will be useful

as the demand on an existing highway increases with increase of population along the corridor.

The problem of implementing staggered working hours now will inevitably disrupt the current habits of the workers, but everyone will benefit from saving in fuel consumption and travel time.

Your Committee heard testimony from the Department of Transportation favoring the concept of staggered work hours for government employees and attesting to the present conditions of highway traffic congestion and the substantial effects of a mandatory staggered work hours program.

Your Committee also finds that a staggered work hour program of sufficient scope to noticeably affect traffic congestion should be instituted by the Governor to include all state offices whose participation in the program would not unduly affect their delivery of service to the public.

Your Committee on Energy and Transportation is in accord with the intent and purpose of H.B. No. 2005-76, and recommends that it pass Second Reading and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee.

SCRep. 89-76 Energy and Transportation on H.B. Nos. 2456-76, 2493-76, 2526-76, 2576-76, 2578-76, 2579-76, 2581-76, 2605-76, 2608-76 and 2622-76

1. H.B. No. 2456-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR STREET LIGHTING IN THE MAKIKI-ROUND TOP AREA OF HONOLULU, OAHU."

The purpose of this Bill is to appropriate a sum for the planning, design, site preparation, construction, and purchase of equipment for street lighting in the Makiki-Round Top area of Honolulu, Oahu.

2. H.B. No. 2493-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A GRANT-IN-AID TO THE CITY AND COUNTY OF HONOLULU FOR STREET IMPROVEMENTS IN THE NINTH REPRESENTATIVE DISTRICT."

The purpose of this Bill is to appropriate the sum of \$50,000.00 for a grant-in-aid to the City and County of Honolulu to be matched by the City for improvement of roads.

3. H.B. No. 2526-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR IMPROVEMENTS TO KAMEHAMEHA HIGHWAY, OAHU."

The purpose of this Bill is to appropriate the sum of \$990,000.00 to improve the right-of-way of 80 feet on Kamehameha Highway, Unit II, from Haiku Road to Ipuka Street.

4. H.B. No. 2576-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR REPAIR OF PUHAWAI ROAD IN WAIANAE."

The purpose of this Bill is to appropriate a sum of repair of Puhawai Road damaged by floods in Waianae, Oahu.

5. H.B. No. 2578-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR REPAIR OF KUWALE ROAD IN WAIANAE, OAHU."

The purpose of this Bill is to appropriate a sum for repair of Kuwale Road damaged by floods in Waianae, Oahu.

6. H.B. No. 2579-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR REPAIR OF LUALUALEI VALLEY ROAD IN WAIANAE, OAHU."

The purpose of this Bill is to appropriate a sum for repair of Lualualei Valley Road damaged by floods in Waianae, Oahu.

7. H.B. No. 2581-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION

FOR REPAIR OF ROADS IN WAIANAE, OAHU."

The purpose of this Bill is to appropriate a sum to repair roads damaged by floods in Waianae, Oahu.

8. H.B. No. 2605-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR STREET IMPROVEMENTS IN WAHIAWA, OAHU."

The purpose of this Bill is to appropriate the sum of \$150,000.00 for the widening of South Cane Street from Kilani Avenue to the end of Cane Street and for planning, engineering and construction of drainage facilities and sidewalk improvements to South Cane Street, Wahiawa, Oahu.

9. H.B. No. 2608-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR PLANS AND CONSTRUCTION OF A BIKEWAY ON KAIMAKANI STREET, OAHU."

The purpose of this Bill is to appropriate the sum of \$35,000.00 as a grant-in-aid to the City and County of Honolulu for plans and construction of a bikeway on the dirt section of Kaimakani Street, from Ulune Street to Gus Webling Elementary School.

10. H.B. No. 2622-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE CONSTRUCTION OF BUS SHELTERS ON OAHU."

The purpose of this Bill is to appropriate the sum of \$100,000.00 for the planning, site preparation, and construction of fourteen type B bus shelters on Oahu.

Your Committee on Energy and Transportation is in accord with the intent and purpose of H.B. Nos. 2456-76, 2493-76, 2526-76, 2576-76, 2578-76, 2579-76, 2581-76, 2605-76, 2608-76 and 2622-76 and recommends that they pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 90-76 Labor and Public Employment on H.B. No. 2247-76

The purpose of this bill is to exempt household employees at the official residence of the president of the University of Hawaii from civil service status.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2247-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 91-76 Labor and Public Employment on H.B. No. 2239-76

The purpose of this bill is to remove the one half per cent advantage out-of-state bidders or vendors enjoy over local bidders or vendors. Presently local bidders or vendors are required to pay certain taxes which out-of-state bidders are not required to pay.

Local bidders are required to pay a four per cent general excise tax on the gross receipt from their contracts. In addition, they are required to pay a one half per cent use tax on the imported tangible personal property which is being purchased by the government agency.

Although present law takes cognizance of the disparity caused by the four per cent general excise tax, it does not correct the disparity caused by the one half per cent use tax. This bill corrects this disparity.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2239-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 92-76 Labor and Public Employment on H.B. No. 2163-76

The purpose of this bill is to exempt the deputy district superintendent, assistant superintendent and the deputy superintendent positions from civil service status.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2163-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 93-76 Labor and Public Employment on H.B. No. 2342-76

The purpose of this bill is to authorize public employees to observe a State holiday which falls on Saturday on the preceding Friday. This bill will assure excluded employees the benefit of the holiday.

Present law provides that any State holiday which falls on a Saturday and which is also a national holiday would be observed on the preceding Friday as a holiday.

In 1977, two State holidays, Kuhio Day and Kamehameha Day, will fall on a Saturday. Since these holidays are not national holidays, the holidays will have to be observed on a Saturday. Employees covered by collective bargaining agreements, however, will observe these holidays on the preceding Friday.

This bill would ensure that all public employees will be treated alike in regard to observance of holidays.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2342-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 94-76 Labor and Public Employment on H.B. No. 2137-76

The purpose of this bill is to reduce the cost of advertising for competitive public bids and to reduce the time delays necessitated by present advertising requirements.

While some means of public notice is desirable, the need to advertise for bidders is not as compelling today. Bidders' list are widely used today and as a result, government agencies are well aware of the potential bidders.

Advertising costs have increased to approximately \$90,000 per year today. If statutory requirements were changed from five ads to three as provided in this bill, there would be a 40 percent reduction in bid advertising costs. This would be a saving of about \$36,000 per year.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2137-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 95-76 Labor and Public Employment on H.B. No. 2337-76 (Majority)

The purpose of this bill is to convert the authorized positions of the election administrator and six election assistants in the Office of the Lieutenant Governor from exempt to civil service status.

The function of administering the elections is an ongoing task of the Office of the Lieutenant Governor, regardless of the changes in the administration. It is important that the core of the election personnel be retained on a permanent basis, thus guaranteeing the continuity and the expertise necessary to administer the elections in a professional manner.

Your Committee on Labor and Public Employment is in accord with the intent and

purpose of H.B. No. 2337-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Stanley.

Representative Sutton did not concur.

SCRep. 96-76 Labor and Public Employment on H.B. No. 2345-76

The purpose of this bill is to re-define the criteria governing employee entitlement to the annual 15 days military leave with pay.

Presently, any employee is entitled to military leave with pay, including those hired for short durations.

This bill would require a minimum appointment of six months before military leave with pay is granted to public officers and employees.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2345-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 97-76 Finance on H.B. No. 2087-76

This bill relates to the preference for bidders on public works contracts where the claim is based on the usage of Hawaii products.

Under present law, a person may claim preference for low bid purposes on any public works or repair and maintenance contract when the specifications include Hawaii products. This bill proposes to limit the preference to those contracts in which the value of the Hawaii products is 51 per cent or more of the total bid price. Also, when the contracting officer estimates that the value of the Hawaii products will not exceed 40 per cent of the estimated bid price, he may waive all Hawaii product preference procedures.

The effect of this bill is that the preference based on Hawaii products will be limited to contracts where there would be a substantial use of the products. The intent is to expedite the bid awarding procedure and facilitate the determination of the lowest bid. Under the existing statutes, the preference has made a difference in only 2 out of 201 awards in 1974 and in only 1 out of 225 in 1975. This bill will eliminate the necessity for a detailed review of preference claims which the records demonstrate have been of little or no consequence in bid awards.

Your Committee on Finance is in accord with the intent and purpose of H.B. No. 2087-76 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 Kiyabu.

SCRep. 98-76 Finance on H.B. No. 2056-76

The purpose of this bill is to increase the limit for informal bids on public contracts and public purchases.

Under present law formal bid procedures must be followed by the counties on contracts of \$4,000 or more and by the State on contracts of \$8,000 or more. In the case of the State, informal bid procedures is allowed for contracts between \$4,000 and \$8,000.

This bill as originally drafted proposes to set the informal bid level at \$15,000 for all the counties and the State. Your Committee has revised this proposal.

Your Committee (upon consideration of the testimony from the State, the various counties, and private persons) recommends that the informal bidding for purchases cover expenditures between \$4,000 and \$8,000, and informal bidding on public works or the repair and maintenance of the buildings, roads and other site improvements

cover contracts between \$4,000 and \$15,000.

All purchases \$8,000 and over and all public works contracts \$15,000 and over must comply with formal bid procedure.

The recommended change will apply to the State and counties.

To clarify the intent and purpose of this bill, your Committee recommends that this bill be recommended as follows:

1. Delete the word and amount "to \$15,000" from page 1, line 2 of the original bill.
2. Change the phrase "\$15,000 or more" to read "\$8,000 or more" on page 2, line 1 of the original bill.
3. Delete the brackets before and after "\$8,000" and delete "\$15,000" on page 2, line 5 of the original bill.
4. After the word "State" on page 2, line 7 of the original bill, add a semicolon followed by the underscored words "provided, that in the case of public works or repairs and maintenance of buildings, roads and other site improvements where the expenditure is more than \$4,000 but less than \$15,000, a call for informal bids shall be published at least once in a newspaper of general circulation printed and published within the State."

Your Committee on Finance is in accord with the intent and purpose of H.B. No. 2056-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2056-76, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Kiyabu.

SCRep. 99-76 Youth and Elderly Affairs on H.R. No. 21

The purpose of this resolution is to request the State Commission on Aging, or if created, the Executive Office on Aging, to review the State's existing senior center facilities and to submit a report of its findings and recommendations in an attempt to resolve the senior center facility problem throughout Oahu.

Since the inception of the Hawaii State Senior Center on Kauai, on Maui, and in Hilo, Hawaii several years ago, other senior centers have been developed. Your Committee firmly believes that these centers make valuable contributions to the community, enhancing the lives of Hawaii's senior citizens. However, your Committee finds indications that senior centers are not readily accessible to all who wish to use them. In an attempt to maximize services for Hawaii's elderly, your Committee sees the need for the Commission on Aging to appraise the availability, adequacy, and accessibility of all services and facilities for elderly persons within the State and to report their findings back to the Legislature prior to the 1977 Legislative Session. Testimony of the Commission on Aging recommends that an Ad Hoc Committee of the Commission be formed for such purpose.

In the testimony of the Commission on Aging, it was stated that the first senior centers were not developed in Honolulu. The inception of the centers was on Kauai, on Maui, and in Hilo, Hawaii. This fact contradicts the fifth "Whereas" clause of H.R. No. 21 and it was recommended that the resolution be amended to reflect this change. The amendment would read as follows:

- (a) WHEREAS, since the inception of the senior centers on Kauai, on Maui, and in Hilo, Hawaii several years ago, other senior centers have been developed throughout the State; and

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 21, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 21, H.D. 1.

Signed by all members of the Committee.

SCRep. 100-76 Youth and Elderly Affairs on H.R. No. 25

The purpose of this resolution is to continue to build upon initiatives to broaden the base of volunteers who will provide transportation services for the elderly and handicapped and to explore the various resources through and by which funds may be obtained to provide insurance coverage and mileage reimbursement for all volunteers providing transportation to the elderly and the handicapped.

Your Committee recognizes that according to the Commission on Aging one of the most pressing needs of Hawaii's elderly and handicapped is adequate transportation. The problem of transportation is particularly felt by those who live on the neighbor islands or those who live in rural Oahu where there is a lack of adequate public transportation. To compensate for the lack of public transportation your Committee sees the need to build a base of volunteers who will provide transportation for the elderly and handicapped. Furthermore, your Committee agrees with testimony presented that such volunteers should be given incentives such as insurance coverage and mileage reimbursement. In this respect, your Committee would like the Commission on Aging to explore the sources of possible funding and to report findings to the Legislature.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 25 and recommends that it be adopted.

Signed by all members of the Committee.

SCRep. 101-76 Youth and Elderly Affairs on H.R. No. 20

The purpose of this resolution is to request the Governor to proclaim a State Volunteer Recognition Week annually in honor of those socially conscious citizens who in the interest of the common good give freely of their services and time to institutions, churches, temples, public and private agencies.

Your Committee is aware of and appreciative of the great number of citizens who are involved in volunteer activities. At the present time, these volunteers perform numerous invaluable services for their community. The purpose of Volunteer Recognition Week is to focus greater public attention on these volunteers.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 20 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 102-76 Agriculture on H.R. No. 106

The purpose of this resolution is to request the House Committee on Agriculture to investigate the Kohala Task Force and submit a report of its findings and recommendations to the House of Representatives at least twenty legislative days prior to the adjournment of the Regular Session of 1976. The report is to determine an appropriate course of legislative action regarding Kohala Task Force projects in keeping with the public's interests.

After a lengthy discussion and questioning of witnesses, your Committee agreed that an immediate investigation is necessary and should be predicated on the following:

- (1) the report should be based on a fair and factual investigation into the activities of the Kohala Task Force;
- (2) the report should determine whether continued state assistance for the Kohala Task Force is justified or whether other sources of assistance should be sought; and
- (3) the report should include recommendations to assist the task force in avoiding any repetition of previously unsuccessful methods.

The Department of Agriculture agrees with your Committee's recommendation that a careful study of the past and present actions of the Kohala Task Force is needed at this time.

Your Committee on Agriculture concurs with the intent and purpose of H.R. No. 106 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 104-76 Public Assistance and Human Services and Labor and Public
Employment on H.B. No. 2102-76

The purpose of this bill is to amend Chapter 103, Hawaii Revised Statutes, to establish a government preference for services performed and products manufactured by nonprofit corporations and public agencies operating rehabilitation facilities for physically or mentally handicapped persons.

Establishing a statewide government preference for the services and products of the handicapped will provide greater opportunities for work training and employment to approximately 2,000 persons annually. Testimony presented by the Department of Social Services and Housing, the Department of Accounting and General Services, and the Rehabilitation Facilities of Hawaii was favorable to this measure which supports the rehabilitation of handicapped persons in Hawaii.

Your Committees recommend the following amendments to the bill for the purpose of implementing this Act:

- (a) Section 1: The purpose of the Act was revised for clarity.
- (b) Section 2: "first priority" for purchase of services of the handicapped was deleted to provide for a 5% preference for services performed by the handicapped.
- (c) Sections 2 and 3: sheltered workshops as certified by the Department of Labor and Industrial Relations was substituted for "rehabilitation facilities" because a definition of "rehabilitation facility" is nonexistent in the state statutes. Moreover, no government agency currently licenses rehabilitation facilities.
- (d) Sections 2 and 3: The responsibility of county directors of finance for adopting rules pursuant to this Act was deleted. The state comptroller shall adopt rules for the state and counties to assure uniformity, and to conform with present practice.
- (e) Section 3: an additional 5% preference was substituted for "no limitations" with regard to preference for Hawaii products manufactured by the handicapped.
- (f) Pursuant to this Act, Section 4 was added to amend Section 103-48 Penalty, Hawaii Revised Statutes, to include coverage of the section relating to services of the handicapped.

Your Committees on Public Assistance and Human Services and Labor and Public Employment are in accord with the intent and purpose of H.B. No. 2102-76, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2102-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees.

SCRep. 105-76 Public Assistance and Human Services on H.B. No. 2766-76

The purpose of this bill, as amended herein, is to appropriate out of the general revenues of the State, the sum of \$60,000 to fund a demonstration human resources development program for Progressive Neighborhoods Program youth, modeled after the "Outward Bound" program. The Progressive Neighborhoods Program, designated as the expending agency, may contract for the services of a recognized institution in the State presently offering such programs.

The original purpose of this bill was to appropriate \$60,000 from the State's general revenues to provide scholarships to eighty youths of Progressive Neighborhoods Program communities for participation in the human resources development program conducted by the Hawaii Bound School. Your Committee finds that the scope of this original purpose is too narrowly defined for the intent of demonstrating a human resources development program for youth in Progressive Neighborhoods Program neighborhoods.

Lack of self esteem and respect for traditional social values as reflected in high rates of delinquency and scholastic failure, is a recognized problem among youth of Progressive Neighborhoods Program neighborhoods. The establishment of a demonstration program modeled after "Outward Bound" addresses the need for esteem building activities for these youth.

The underlying philosophy of the "Outward Bound" program maintains that young men and women develop a better sense of themselves and their potentialities, as well as a commitment to society and strengthening of values, through shared experiences of challenge, adventure, and service. The program is a twenty-four day course which seeks to convey this idea through a series of activities such as training in wilderness skills, hiking, emergency rescue training, service projects, and an experience of solitude.

The Progressive Neighborhoods Program, designated as the expending agency, supports the enactment of this bill.

Your Committee on Public Assistance and Human Services is in accord with the intent and purpose of H.B. No. 2766-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2766-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 106-76 Public Assistance and Human Services and Health on H.B.
No. 2037-76

The purpose of this bill is to amend Chapter 346, Hawaii Revised Statutes, by adding a new section which directs the Department of Social Services and Housing to pay providers of medical and other professional health care services participating in the Medicaid program, their usual and customary fees up to the maximum which federal rules permit. The Director of the Department of Social Services and Housing shall adopt rules in accordance with Chapter 91 to implement this payment schedule.

Medicaid is a state administered, federally subsidized, medical assistance program which provides for comprehensive services to meet the health needs of Hawaii's welfare recipients and Supplemental Income beneficiaries, as well as low-income individuals and families who are medically needy. Presently, the program serves an average of 86,800 persons per month, at an estimated total cost of \$54,229,176 for fiscal year 1975-76. The federal matching share is 50% of the cost of medical care and services; however, matching funds are not available for medical payments made in behalf of General Assistance recipients and pensioners. Thus, the actual federal share in Hawaii's program is about 42% or \$23,022,851 for fiscal year 1975-76 and the State's share is 58% or \$31,276,325.

The Medicaid program provides for individual choice of service providers and to this end, the Department has enlisted the participation of licensed private practitioners, clinics, laboratories and other sectors of Hawaii's health care delivery system. With the exception of professional services, payment levels to these providers are at the upper limits permitted by federal regulations. The regulations currently allow states to pay participating physicians at their usual and customary fees up to the 75th percentile of prevailing charges. The 75th percentile is determined by distributing individual physician charges for specific services on a normal bell curve. However, these physician profiles do not reflect current charges; they reflect the prevailing charges of the year previous to the one for which the 75th percentile is being determined. Hawaii physicians are presently reimbursed for services at 75% of usual and customary fees that do not exceed the 75th percentile of prevailing charges.

The Department testified that in contrast to the present rate of payments to non-professional providers, payments to physicians are far below the upper limit allowed by federal regulations. This factor was cited as being one reason why a majority of physicians limit their services to Medicaid patients. Testimony presented by physicians substantiated the Department's claim.

The projected cost for all professional services for 1976-77, based on the proposed payment increase is \$22,459,071. This represents an increase of \$4 million over the amount appropriated for the current fiscal year. An appropriation of \$2.3 million is necessary to cover the State's share of implementing the proposed payment schedule.

Testimony presented before your Committees unanimously favored the enactment of this bill. Your Committees recommend that the effective date of this Act be amended to July 1, 1976, to allow the Department enough lead time for implementation.

Your Committees on Public Assistance and Human Services and Health are in accord with the intent and purpose of H.B. No. 2037-76, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2037-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees.

SCRep. 107-76 Water, Land Use, Development, and Hawaiian Homes on
H.B. No. 2220-76

The purpose of this Act is to increase the interest rate for the Hawaii Capital Loan Program.

The Hawaii Capital Loan Program, Section 210, HRS, was enacted in 1963, to provide loans at reasonable rates to small business concerns that were unable to obtain financial assistance from other financial institutions at reasonable terms and to complement the assistance provided by the United States Small Business Administration.

The interest rate set in 1963 conformed to the then current SBA rate of five and one-half percent per annum and has not changed since then. However, the SBA has now increased its rate to six and five-eighths percent per annum and your Committee feels a change in the interest rate for the Hawaii Capital Loan Program should be made.

The seven and one-half percent rate will also be more in line with current money rates. Your Committee believes the rates charged should be higher than the rate the State is charged on its General Obligation Bonds which is now in excess of six percent.

Your Committee feels this Act would be paying its own way in the State's fiscal plan.

Your Committee on Water, Land Use, Development and Hawaiian Homes is in accord with the intent and purpose of H.B. No. 2220-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

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

SCRep. 108-76 Water, Land Use, Development, and Hawaiian Homes on
H.B. No. 2212-76

The purpose of this Act is to provide that the Special Land and Development Fund may be used to pay all appraisal costs incurred by the Department of Land and Natural Resources in the management of state lands, and to increase the permitted annual expenditure for the maintenance of state lands from \$25,000 to \$100,000, and to extend the lands covered from "public lands" to "state lands under the control and management of DLNR."

Subsection (2) of HRS Section 171-19 permits the Board to use the Special Land and Development Fund for the incidental maintenance of public lands and improvements thereto. Expenditure is limited to \$25,000 in any single fiscal year. The Board is responsible for the conservation lands, forest reserves, state park lands, lands set aside by Governor's executive orders, and Hawaiian Home lands returned to the Department for control and management. Your Committee feels that the use of the Special Fund for incidental maintenance be extended to all the state lands for which the Board is responsible. Increased costs of all types of services make the \$25,000 figure obsolete.

Subsection (4) authorizes the Board, without further legislative action, to use the Special Land and Development Fund to pay reimbursable appraisal fees "upon collection of the fees" from purchasers and/or lessees of the lands appraised. The Board incurs numerous appraisal costs for which no reimbursement is received and which reimbursement is not required by law.

Your Committee feels this Act would permit the Board to pay both reimbursable and non-reimbursable appraisal fees from the Special Fund and provide that the Special Fund would be reimbursed to the extent such fees are collected from purchasers and/or lessees of state lands.

Your Committee on Water, Land Use, Development and Hawaiian Homes is in accord with the intent and purpose of H.B. No. 2212-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 109-76 Water, Land Use, Development, and Hawaiian Homes on
H.B. No. 2211-76

The purpose of this Act is to require that all purchasers and/or lessees of state land shall pay or reimburse the state for all appraisal costs where independent appraisals are required by law or dictated by prudent management.

Under the present wording of H.R.S. Section 171-17, the state has been absorbing the cost of appraisals for re-openings of lease rentals, re-purchase of lots sold where the state has first option to re-purchase, and for certain sales at public auction where prudent management dictates determination of the lease rental or sale price by independent appraisal.

Since independent appraisal is not required for sales at public auction, the Board has not charged the lessee for the appraisal costs, some of which have amounted to several thousands of dollars. These amendments to Section 171-17 will mandate the Board to have such lease rentals further determined by independent appraisal and will further require the lessee or purchaser to pay or reimburse the state for such appraisal costs.

Your Committee feels that the enactment of H.B. No. 2211-76 will result in substantial savings by the state.

Your Committee on Water, Land Use, Development and Hawaiian Homes is in accord with the intent and purpose of H.B. No. 2211-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 110-76 Consumer Protection and Commerce on H.B. No. 2230-76

The purpose of this bill is to increase the practicing psychologist examination fee from \$25.00 to \$35.00.

This increase reflects (1) the recent increase from \$25.00 to \$30.00 in the cost of preparing and grading the examination charged by the Professional Examination Service, New York, and (2) the addition of a \$5.00 fee to defray the department of regulatory agencies' cost of administering the examination.

Your Committee is in agreement with the department of regulatory agencies that the fee for the practicing psychologist examination be increased from \$25.00 to \$35.00.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.B. No. 2230-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 111-76 Housing and Water, Land Use, Development, and Hawaiian
Homes on H.B. No. 2291-76 (Majority)

The purpose of this bill is to provide a means whereby owners of separate parcels of real property may voluntarily assemble, develop and rehabilitate their lots under a joint undertaking, and thereafter receive their pro rata share in the project.

There are many areas in the State, particularly on Oahu, where lot sizes are of

such odd shapes and small sizes that redevelopment would be discouraged, if not prohibited, under present zoning ordinances and policies. These areas are restricted to urban renewal and condemnation as the only means for the redevelopment or reconstruction of existing residential property. Many of the residents of these areas are adverse to relocation which such approaches entail; however, without a workable program to correct obsolescent road and lot patterns in our older neighborhoods, property owners individually cannot upgrade their holdings. Whole neighborhoods thereby suffer from the continuation of the substandard conditions. Residents of these neighborhoods are deserving of some flexibility which would allow them to retain their present residence and yet make collective improvements.

Japan's land readjustment law, which was extensively studied by your Committees, offers a concept which, if applied in the State, would serve as an alternative to urban development involving government condemnation of private property. Through land readjustment of existing urban land areas and where adjoining property owners within a given area have been willing to undertake replacing deteriorated houses and rebuilding with affordable and acceptable housing units, Japan has made remarkable progress in upgrading their urban districts. H.B. 2291-76 incorporates the basic principles of Japan's land readjustment program, but has adapted it to suit the needs of the State.

This bill requires a minimum of three property owners each owning land in the proposed real property readjustment district to form an association. After securing the required membership, the association may petition the Hawaii Housing Authority to designate their areas as a land readjustment district. To be submitted with the petition shall be a preliminary development plan outlining in general terms, their proposal for the development of the readjustment area.

If the Authority deems that the project fulfills all requirements, it shall grant the petition, designate the area as a real property readjustment district, and the association shall be authorized to proceed with the final development plan. Once a land readjustment district is designated, the association shall appoint with the approval of the Authority, a trustee whose principal duties would involve the coordination and execution of the development plan. Upon his appointment, the owners shall convey their properties to the trustee to be held in irrevocable trust for the benefit of the owners.

After all the property within a readjustment district has been assembled by the trustee, an appraiser shall be selected by mutual agreement between the Authority and the association. The said appraiser would determine the fair market value of all properties, rounded to the nearest \$500. For each \$500 of property value, an association member shall be given one pro rata share. Voting rights as well as development and financing would be based on these pro rata shares held. On completion of the development plan, an appraisal shall be made of all properties in the real property readjustment district that are not retained for public use. By conveyance from the trustee, each association member and the authority would thereafter receive his pro rata share of the real property readjustment district.

Upon consideration of this bill, your Committees have made the following amendments:

1. page 1 - The purpose of this chapter has been altered to reflect that the project should create the least amount of disturbance to the neighborhood and to the lifestyle of the residents in the neighborhood.
2. page 1, line 8 - The word "adjoining" has been added after the word "separate" to clarify that these parcels shall comprise one contiguous land area.
3. page 2, Sec. -3 has been amended to include only those counties with a population of 100,000 or more.
4. page 2, Sec. -4 has been amended to more clearly spell out the powers and duties of the Authority. Additionally, subsection (c) has been appropriately added to this section.
5. page 4, Sec. -7 has been amended by stating that the articles of association shall contain the policies and procedures relating to voting, including the percentage of votes necessary to act on any matter involving the association.
6. page 4, line 15 has been amended by adding "insofar as shall be practicable" at the end of the sentence.

7. page 4, Sec. -9 has been amended to clarify who shall comprise the directors and the board of directors.
 8. page 5, Sec. -10 has been changed to clarify when an association's membership area may be altered.
 9. page 5, Sec. -11 has been amended to reflect that the required appraisal shall be approved by the association members.
 10. page 6, line 2 - The minimum area size of the redevelopment project will be left to the discretion of the Authority.
 11. page 6, line 20 - There has been added a proviso that the number of units to be developed or rehabilitated shall not exceed the number of units existing in the readjustment district.
 12. page 8, line 1 has been amended to state that the Authority shall be reimbursed by the association for the loan when the association obtains interim financing, instead of upon completion of the project.
 13. page 8, Sec. -13 has been changed to reflect that the association shall appoint the trustee, subject to approval by the Authority.
 14. page 12, line 18 - A proviso has been added that such an appraisal shall be subject to approval by the association and the Authority.
 15. page 12, Sec. -20 has been amended to include that the development and rehabilitation project under this Chapter shall qualify as a housing project under Chapter 359G.
 16. page 13, line 1 - "one per cent" has been changed to "one and one-half per cent."
 17. page 14, Sec. -24 has been deleted, as it has been added to Sec. -4, Powers and duties, generally.
 18. page 15, SECTION 2 has been deleted in its entirety.
 19. Other technical and grammatical corrections have been made for further clarification without change in substance.
- Your Committee on Housing and Water, Land Use, Development, and Hawaiian Homes are in accord with the intent and purpose of H.B. No. 2291-76, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2291-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees.

Representatives Clarke, Fong, Larsen and Sutton did not concur.

SCRep. 112-76 Housing and Water, Land Use, Development, and Hawaiian
Homes on S.B. No. 714 (Majority)

The purpose of this bill is to provide a means whereby owners of separate parcels of real property may voluntarily assemble, develop and rehabilitate their lots under a joint undertaking, and thereafter receive their pro rata share in the project.

Upon consideration of this bill, your Committees have made extensive revisions and have made the following amendments:

1. SECTION 1, Purpose, has been incorporated as part of the new chapter, and has been amended to reflect that a program designed to carry out the purposes of this chapter shall be established. It is the intent of your Committees to create a "pilot project" to test the effectiveness of this program before providing any additional funds.
2. SECTION 1 has also been altered to reflect that the project create the least amount of disturbance to the neighborhood and to the lifestyle of the residents in the neighborhood.

3. SECTION 1 has been further amended by adding the word "adjoining" after the word "separate" to clarify that the parcels shall comprise one contiguous land area.

4. A new section, Application, has been added to the bill. It states that this chapter shall be limited in its application to older, urban neighborhoods with aging housing stock and a significant number of low or moderate income residents and to any county with a population of 100,000 or more.

5. A new section, Powers and duties, generally, has been added to define the powers and duties of the Authority relative to land readjustment projects.

6. page 2, Sec. -3 has been amended to state that the incorporator-owners shall each own at least one parcel of land in the proposed real property readjustment district.

7. page 2, Sec. -4 has been amended by stating that the articles of association shall contain the policies and procedures relating to voting, including the percentage of votes necessary to act on any matter involving the association, and also provisions for dissolution of the association.

8. page 3, Sec. -5 has been amended by stating that all owners within the proposed readjustment district shall be members of the association.

9. Sec. -5 has been further amended by stating that the proposed development plan shall be in conformity with applicable zoning and land use regulations, insofar as shall be practicable.

10. page 3, Sec. -6 has been amended by stating that there shall be a minimum of three directors, and by clarifying who shall comprise the directors and the board of directors.

11. page 4, Sec. -7 has been amended to clarify when an association's membership area may be altered.

12. page 4, Sec. -8 has been amended to add that in the election of directors and approval of trustees, voting shall be on the basis of one vote per member.

13. Sec. -8 has been further amended to reflect that the required appraisal shall be approved by the association members.

14. page 4, Sec. -9(a) has been amended by adding the following: "Upon designation as a real property readjustment district, the area shall remain as such during the development period, which shall be no longer than six years, and shall not be subject to eminent domain proceedings by the State, during such development period."

15. page 5, Sec. -9(c) has been amended by adding a proviso that the number of units to be developed or rehabilitated shall not exceed the number of units existing in the readjustment district.

16. Sec. -9 has been further amended by adding a subsection which states that if the petition is granted, the association shall be eligible for a loan from the Authority, the maximum amount of which shall be \$10,000, to be used for the purposes of preparing the final development plan. The association shall reimburse the Authority for the loan upon obtaining interim financing for the project. If the project is not completed, the association shall bear the expense of such loan.

17. Sec. -9 has been further amended by deleting the following in subsection (e): "No building permit shall be issued for any structure within the district unless and until the chairman of the authority certifies that it conforms to the plan and other appropriate land use and zoning requirements."

18. page 6, Sec. -10 has been amended to reflect that the association shall appoint the trustee, subject to approval by the Authority.

19. page 7, Sec. -11 has been amended by adding a proviso which states that the owners shall retain the right to assign their equitable interest in the property.

20. A new section entitled, Acquisition of Land, has been added which provides for the Authority to acquire the private real property in the event the trustee is unable to improve the property in accordance with the land uses in the development plan

or the plan is abandoned for any reason.

21. A new section entitled, Relocation Assistance, has been added, and states that persons, who are not owners, who are displaced by a readjustment project shall receive relocation payments from the Authority. Unless subsidized by the State or county, such payments shall be deemed a development cost to be repaid by the association to the Authority.

22. A new section entitled, Work on acquired area; competitive contracts, has been added and states that the Authority may, by letting of contracts therefor, or by using its own employees, clear the areas acquired by the Authority and maintain, repair or rehabilitate, without reconstructing or enlarging any structure, unless such structures are to be held and used by the government for public purposes; provided that any work, the estimated cost of which is in excess of \$4,000 shall be let only in accordance with chapter 103.

23. page 8, Sec. -12 has been amended by deleting subsection (5), as it has been placed in a new section, Relocation Assistance.

24. page 9, line 1 - The word "may" has been changed to "shall."

25. page 9, line 9 has been amended by adding the following proviso: "provided that such an appraisal shall be subject to approval by the association and the authority."

26. page 9, lines 12 and 13 has been amended by changing "authority's pro rata share" to "development and rehabilitation project under this chapter".

27. Sec. -14 has been further amended by deleting "The authority may assist the association with interim financing to the extent the authority deems such assistance advisable and necessary, such assistance to be part of the project cost and repayable to the authority at the completion of the project at a reasonable rate of interest as determined by the authority", and by adding "The authority, at the completion of the project, shall be reimbursed the total of its costs for all assistance at a rate of interest computed at the greater of seven per cent or one and one-half per cent more, rounded to the nearest one-eighth of one per cent, than that paid by the State on the general obligation bonds most recently issued by it prior to approval of the petition by the authority."

28. Sec. -14 has been further amended by adding subsection (b) which states that the Authority may apply federal funds available to it for the funding of a revolving loan account for the purposes of this chapter.

29. A new section entitled, Contracting powers and duties to counties, has been added which states that following: "The authority may contract with appropriate agencies of the counties for the transfer to such agencies of part or all of the powers and duties conferred upon the authority by this chapter, for the purpose of developing a real property readjustment district."

30. page 9, Sec. -15 has been amended by changing the title from Land readjustment to Disposition of land and improvements and, further, by stipulating that the trustee shall have the power to convey only with the written consent of the board of directors.

31. page 10, Sec. -16 has been deleted, as it has been added to the section entitled, Powers and duties, generally.

32. A new section entitled, Disposition of authority's pro rata share, has been added to state the provisions under which the Authority may sell or lease real property acquired by it for a readjustment project.

33. page 10, SECTION 3 has been deleted in its entirety. As the trustee will no longer be appointed by the Authority, there will be no conflict of interest on his part.

34. page 12, line 4 has been amended by deleting "and chapter ____" and inserting "and \$5,000,000 for the purposes of chapter ____."

35. page 13, line 1 has been amended by changing "one per cent" to "one and one-half per cent".

36. Other technical and grammatical corrections have been made for further clarification.

tion without change in substance.

Your Committees on Housing and Water, Land Use Development and Hawaiian Homes are in accord with the intent and purpose of S.B. No. 714, S.D. 1, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 714, S.D. 1, H.D. 2, and be referred to the Committee on Finance.

Signed by all members of the Committees.

Representatives Clarke, Fong, Larsen and Sutton did not concur.

SCRep. 113-76 Housing on H.B. No. 2910-76

The purpose of this bill is to mandate that the Hawaii Housing Authority provide funds for a share of the principal amount of an interim construction loan made to a private developer by a private lender.

The principal amount to be loaned by the Authority, under the provisions of this bill, is not to exceed an amount equal to the actual cost of the housing project multiplied by a fraction - the numerator being the number of dwelling units to be placed under the control of, or to be sold by or to the Authority, and the denominator being the total number of dwelling units in the housing projects. The Authority shall enter into a loan participation agreement with a private lender for these purposes.

This bill further provides that not less than ten per cent of the units shall be sold in price ranges established by the Authority. It is your Committee's belief that the current percentage restriction requiring that not less than sixty per cent of the units to be within the Authority's price range when coupled with this new concept would not provide the Authority with the needed flexibility in developing housing projects.

Your Committee on Housing is in accord with the intent and purpose of H.B. No. 2910-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kiyabu and Ikeda.

SCRep. 114-76 Housing on H.B. No. 2335-76

The purpose of this bill is to provide State assistance to residents for the renovation and rehabilitation of their existing dwelling units.

The high cost of construction materials, labor and financing which makes new housing construction prohibitive, also discourages rehabilitative efforts to existing housing units. This bill would help to alleviate the aforementioned problem by providing low-interest State loans, as well as informational and technical assistance, for the purpose of renovating and rehabilitating existing units.

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

1. page 2, line 15 - "any lands situated in the county" has been changed to "any other property in the State".
2. page 2 - A subparagraph (6) has been added which states that a qualified resident shall have applied for and have been refused a home improvement loan by at least one bank or other financial institution in the State.
3. page 3, line 7 - There has been added after the word "section", the following sentence: "The authority may establish such other minimum requirements which must be met by owners to qualify for loans, as are conducive to carrying out this section."
4. page 4, subsection (g) has been amended by adding a subparagraph (4) which enables the Authority to utilize the services of commercial banks and other financial institutions in the State for servicing of the loans.
5. page 4, subsection (g) has been further amended by adding a subparagraph which provides legal services remedies should a person with this loan default in any of his payments.

6. page 6, subsection (j) has been deleted.

Your Committee on Housing is in accord with the intent and purpose of H.B. No. 2335-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2335-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 115-76 Housing on H.B. No. 2949-76

The purpose of this bill is to raise the maximum interest rate payable on revenue bonds authorized by the Hawaii Housing Authority from six to eight per cent.

The present interest rates under these types of bonds are approximately 7-1/4 per cent and such an amendment would statutorily make these bonds marketable. The last legislative session provided for this same amendment but making it effective for only twelve months.

In testimony presented before your Committee, the Director of the Department of Budget and Finance expressed no objections to the proposed change.

Your Committee on Housing is in accord with the intent and purpose of H.B. No. 2949-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Kiyabu.

SCRep. 116-76 Housing on H.B. No. 2911-76

The purpose of this bill is to grant the Hawaii Housing Authority the power to set the sales prices and rents for any commercial or industrial development that it may develop as a part of a residential development at terms commensurate to the general market.

This bill will provide the Authority with the flexibility of using the profits that it may generate from such sales and rents to lower the sales prices and rents of the dwelling units developed in conjunction with such commercial or industrial facilities. Your Committee believes that this bill will enable the Authority to provide a greater number of low and moderate income units near urban centers where the price of land is high.

Your Committee on Housing is in accord with the intent and purpose of H.B. No. 2911-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kiyabu and Ikeda.

SCRep. 117-76 Water, Land Use, Development, and Hawaiian Homes on
H.B. No. 2216-76

The purpose of this Act is to assure that the sale of remnants of public lands will not create lots or uses unacceptable to the counties in which such remnants lie.

H.R.S. Section 171-52 provides that "Any remnant or portion thereof to be disposed of shall first be offered for sale to the abutting owner..." The Office of the Attorney General has advised that any point of contact of adjacent property to a government remnant, even though only a common corner pin, constitutes an abutment within the meaning of the section.

Section 171-52 also provides that, where there is more than one abutting owner interested in purchasing the remnant, it shall be sold to the one submitting a sealed bid containing the highest offer above the appraised value.

There have been circumstances where one of the abutting owners, with only a single point or slight abutment, has been the highest bidder. Such sales have created

parcels of a shape which would not have been permitted in a subdivision subject to county standards and approval. This Act would assure the counties that state remnants will not be sold in such a manner as to create undesirable parcels when consolidated or combined with the abutting parcels.

Your Committee wishes to emphasize that this act is not intended to supersede the prior existing zoning provisions permitting the creation of a new lot, when the combination of the remnant parcel and the original parcel, would create an additional new lot.

Your Committee on Water, Land Use, Development, and Hawaiian Homes is in accord with the intent and purpose of H.B. No. 2216-76 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 Yap.

SCRep. 119-76 Education on H.B. No. 2668-76

The purpose of this bill is to assign vice-principals to schools with an enrollment of five hundred students or more. It further allows school principals to be consulted by the department as to the needs in their schools, considering such criteria as general student problems, social and behavioral experiences and existing personnel needs, so that in special circumstances, the department may appoint vice-principals to schools with an enrollment of less than five hundred students. This formula is in accordance with the School Basic Staffing Study recommendation for the placement of vice-principals in our schools.

Section 297-31 now calls for vice-principals being assigned to schools with a minimum student enrollment of 750 students. Your Committee feels that the present formula used for placing vice-principals is not a reasonable guideline. Testimony revealed that the demand for administrative services has increased with the implementation of the 3 on 2 program, Hawaii English Program, Vocational/Technical Program and Foundation Program among other programs. Further, with the passage of the collective bargaining law, the administration has become responsible for 5 different collective bargaining contracts. The vice-principal will serve as an invaluable aid to the principal in assisting with the aforementioned administrative demands and thereby establish a more desirable school enrollment.

Your Committee on Education is in accord with the intent and purpose of H.B. No. 2668-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 120-76 Education on H.B. No. 2587-76

The purpose of this bill is to provide funds for the operation of the Responsive Education Program for Youth Project (REPY), a cooperative venture in juvenile delinquency prevention of the Central Intermediate School and the Nuuanu Young Men's Christian Association under the Department of Education's Compensatory Education Program.

The relationship between school alienation and juvenile delinquency is well established. Recent studies indicate that social deviancy among middle and lower socio-economic adolescents are more highly related to poor adjustment in school than it is to social status. Concurrently, most of these youths have not been able to establish a socially acceptable personal role in the non-school setting. Consequently, this REPY Project attempts to simultaneously assist an identified minority of hard-core school alienated youth achieve educational success and acceptable social success in school and the community.

REPY involves two distinct components in their program:

1. An instructional component at Central Intermediate School consisting of an Academic Resource Center (ARC) to provide diagnostic and prescriptive services to enhance individualized instruction. Emphasis is placed on language arts and computational skills. Students are scheduled to report to this center on the same basis that all students at the school report to regular classes. Depending on individual needs,

students may be scheduled for one or more periods daily.

2. An aikane component to provide individualized supportive services through social and leisure enrichment activities under the supervision and coordination of the Nuuanu Y.M.C.A. Aikanes are matched to target students on an approximate ratio of one aikane to six target students. They help students meet school demands and expectations and achieve acceptable social success in the school and community by serving as the youth's personal tutor and mediator with the police, judicial system, teacher and/or parents. They offer further, personally enjoyable and rewarding activities to promote success in such areas as manual skills, sports, outdoor knowledge and skills in hiking and camping and social skills, such as basic manners and etiquette.

The Department of Education testified that it concurs with the intent of the bill in meeting the needs of alienated students.

Your Committee would like to amend the wording of the Department of Education's Alternative Education Program in Section I and Section II, to read Compensatory Education Program in accordance with the PPB program structure of the Department of Education.

Your Committee on Education is in accord with the intent and purpose of H.B. No. 2587-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 121-76 Education on H.B. No. 2504-76

The purpose of this Act is to provide for the implementation of a model pilot project for school language, speech, and hearing programs and services in an appropriate school district to serve the high schools, intermediate schools, and elementary schools in the district.

A recent survey conducted by the Hawaii Speech and Hearing Association found that presently, only elementary school students in regular classrooms, as opposed to special education classes, receive speech and language therapy through the special services speech and language program. Some elementary schools do not receive any direct therapy service.

In the school year 1974-1975, the department of education serviced 2,725 elementary school students for communications handicap problems. The data indicate, however, that approximately 5,136 elementary students have been served.

The definite lack of these services is more pronounced when statistics by school district are examined. The Leeward school district for example, provided no direct therapy services in 1974-1975; however, the diagnostic and therapy waiting list had 851 students awaiting therapy. There is an estimated population of 2,142 students in grades K through 12 in need of speech and language therapy, almost the total seen throughout the state by the department.

Your Committee on Education believes that implementation of the pilot project will allow schools within a district to tailor diagnostic and therapeutic services to their own needs and to monitor and evaluate the effects of the program.

Your Committee on Education is in accord with the intent and purpose of H.B. No. 2504-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 122-76 Education on H.B. No. 2503-76

The purpose of this bill is to provide for the reinstatement of a program specialist in speech and hearing in the department of education, and to delineate the responsibilities of the position.

At the present time, the D.O.E. Speech, Hearing, and Language Program has no coordinator at the state level who is specifically responsible for supervision and

coordination of the program statewide. As a result, there are no statewide reporting and recording procedures for the program; there is no spokesman who can participate in administrative decisions that affect the Speech and Hearing Program; there is no consultant for difficult therapy cases; there are no new goals and program ideas being set; there are no on-going continuing education programs available, there is no one to apply for appropriate available grants and federal funds, and there is no statewide systematic student observation and practicum experience is cooperation with colleges and universities.

Your Committee on Education is in agreement that a speech, hearing, language program coordinator can help correct these existing problems, create unity of services, and thus provide more effective programs.

Your Committee on Education is in accord with the intent and purpose of H.B. No. 2503-76, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 123-76 Education on H.B. No. 2164-76

The purpose of this Act is to first, increase the surety bond from its present sum of \$1,000 to \$2,000; second, increase the present license fee of \$5 to \$10 and, third, establish a uniform license year for private schools.

Your Committee is in agreement with the proposal to increase the surety bond and license fee since these are necessitated by rising costs. Secondly, your Committee is in agreement with the bill's intent to establish a uniform license year because it would simplify operations.

Your Committee on Education is in accord with the intent and purpose of H.B. No. 2164-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 124-76 Higher Education on H.B. No. 2042-76

The purpose of this Act is to appropriate funds for the continuation of the Comprehensive Training Program (also known as the University Without Walls and Central Michigan University Program).

Your Committee has received testimony from the Vice-President of Academic Affairs at the University of Hawaii and from numerous students and staff of the Comprehensive Training Program and finds as follows:

The Comprehensive Training Program was originally designed to assist educationally deprived adults in developing employment skills. For this purpose, an external degree granting program was established in conjunction with the Central Michigan University. Since that time the Comprehensive Training Program has broadened its target group to include persons who, by reason of geography, hours of work, family obligations, or other restrictions find it difficult to enroll in regular, campus based higher education programs.

The Comprehensive Training Program meets the needs of these people in the following ways: 1) classes are held in the community; 2) instruction is geared to student needs and individualized help is readily available; 3) concentrated class schedules on weekends allow students to complete their degrees in a relatively short time; and 4) educational credit is awarded for life and work experienced.

Your Committee is aware that the State has long been committed to the goal of equal educational opportunities. In 1972, the Legislature responded to the need for an external degree program by making its initial commitment to the development of HOPE - the Hawaii Open Program for the Excluded.

During the past Legislative interim, your Committee heard testimony on the progress of HOPE's development. The Hawaii Open Program currently has 45 upper division Manoa courses developed for extension delivery and has engaged in several pilot

projects. The last preparatory step is the establishment of an accreditation process for life-work experience which will be consistent with University of Hawaii standards. The University has found this to be an onerous task and is not at present, prepared to make its recommendations.

On completion, HOPE will be part of the statewide University system and will provide higher educational opportunities to all students currently excluded from present baccalaureate programs. Comprehensive Training Program students will be able to transfer to the HOPE program without loss of credits or opportunities. Therefore, your Committee believes that at that time, the continuation of both programs would be an unnecessary duplication of State effort. Hence, your Committee supports the temporary continuation of the Comprehensive Training Program until such time as the Hawaii Open Program for the Excluded is ready to be fully implemented.

Your Committee recommends an amendment for the purpose of appropriating \$175,000 for the Comprehensive Training Program.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2042-76, as amended herein, and recommends that it pass Second Reading in the form hereto as H.B. No. 2042-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 125-76 Higher Education on H.B. No. 2501-76

The purpose of this Act is to make an appropriation for the Continuing Education for Women (CEW) program at the University of Hawaii at Manoa.

Your Committee heard extensive testimony by women in support of the Continuing Education for Women program and finds as follows:

Your Committee is aware that serious barriers exist for women seeking higher education. These include inadequate finances, lack of mobility, children at home, cultural values, attitudes and discrimination on the grounds of sex or age. Returning mature women frequently are burdened by the complex problems of outdated skills; long interruptions in their education; and the obligation of simultaneously fulfilling home and family functions. In addition, for these women, age discrimination is especially acute.

The Continuing Education for Women program, established in 1968, was created to address these special needs of women. It currently is engaged in supportive, developmental, and remedial programs for women including individual counseling services, vocational exploration groups, scholarship assistance, and a resource library on women's concerns. In addition, CEW promotes public understanding of women's needs, potential, and contributions to the community.

Your Committee wholeheartedly supports CEW's plans to develop further its outreach services on Hawaii, Kauai, Maui and Molokai. On the neighbor islands, CEW will assist in the development of new programs specially designed to meet the unique needs of each community.

Other priority programs for CEW are: 1) increasing services in outlying areas of Oahu; 2) the reactivation of community leadership training programs and the inclusion in these programs of more women from low income areas; and 3) the development of additional vocational programs and counselling resources in locations convenient to women.

Your Committee is aware that there exists a central state agency, the State Commission on the Status of Women, which is responsible for the coordination of programs, activities and information concerning women. As mandated by law, the duties of the Commission include the improvement of educational and counseling programs and policies to meet women's needs. Therefore, your Committee recommends that the following amendment be adopted authorizing the State Commission to administer the Continuing Education for Women program:

"SECTION 2. This program shall be administered by the State Commission on the Status of Women and implemented by the University of Hawaii, College of Continuing

Education and Community Services."

Your Committee also recommends an amendment for the purpose of appropriating \$69,162 for the Continuing Education for Women program.

Your Committee requests that the State Commission submit to the Legislature, twenty days prior to the convening of the next Legislative session, an evaluation of the Continuing Education for Women program and a report on the effectiveness of the administrative arrangement.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2501-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2501-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 126-76 Higher Education on H.B. No. 2277-76

The purpose of this Act is to make an appropriation for travel expenses, equipment and supplies for the sports program at the University of Hawaii at Hilo.

Your Committee received testimony from the Acting Chancellor of the University of Hawaii at Hilo and finds as follows:

The sports program at the University of Hawaii at Hilo has developed so that there are nine varsity activities this year. Five of these, basketball for men, golf and tennis for men and women, are intercollegiate activities. Next year, basketball for women, volleyball for men and women, soccer for men and women, and softball for women will also become intercollegiate activities. To date, the most costly activity has been men's basketball. For five years, the major support of this sport has come from the University of Hawaii Hilo Athletic Booster Club, which has contributed approximately \$75,000 to pay for most of the expenses.

Your Committee is aware that next year, increased travel for all teams and equipping the newer women's teams will require additional financial support. Therefore, your Committee recommends that an appropriation be made to meet the increasing expenses and to remove part of the financial burden from the Booster Club.

In the interest of fully supporting the intent of Title IX, your Committee believes money designated for the travel expenses of cheerleaders should be redesignated to supplement funds for women's sports equipment, uniforms and supplies. Your Committee recommends the adoption of the amendment, such that \$9,457 is appropriated for women's sports.

Your Committee is in accord with the intent and purpose of H.B. No. 2277-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2277-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 127-76 Higher Education on H.B. No. 2638-76

The purpose of this bill is to make appropriations for the following improvement projects for the Waikiki Aquarium: 1) sea turtle display pool, 2) Hawaiian tide pool, 3) replacement of glass and light installation in display tanks, 4) renovation of public display galleries, 5) work area safety improvements, 6) wire fence and hedge installation, and 7) entry foyer skylight and dome replacement.

Your Committee is aware that there is a critical need at the Aquarium for the improvement of the educational exhibits and displays. Currently, over 230,000 persons, many of whom are elementary school children, visit the Aquarium annually.

These children and visitors would greatly benefit by the construction of such unique displays as:

- 1) a Hawaiian tide pool which would allow school children to inspect

living marine animals in an atmosphere similar to an actual beach field trip; and

2) a sea turtle display pool with a beach which would permit the sea turtles to haul out and nest on the sand. These activities are only rarely observed in the Hawaiian islands today.

Other projects to be funded by the appropriation include sorely needed renovations and improvements which would considerably increase the attractiveness of the facility.

Your Committee believes that with more and better facilities, the Aquarium will be able to draw a greater number of residents and visitors and will provide a more meaningful educational experience concerning Hawaii's marine environment.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2638-76 and recommends that it pass second reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 128-76 Higher Education on H.B. No. 2692-76

The purpose of this Act is to make an appropriation for the planning, installation, construction and purchase of equipment for the air conditioning of Kuykendall Hall.

Your Committee heard testimony from the Director of Physical Planning and Construction of the University of Hawaii at Manoa and finds as follows:

The occupants of Kuykendall Hall have been the subject of noise problems since 1971. This has been due primarily to the continual construction of new buildings surrounding Kuykendall and to the nature of the building design (floor to ceiling jalousie windows for exterior walls).

Your Committee is aware that the University has attempted to minimize the problem by 1) including noise control provisions in the construction contracts and 2) relocating and rescheduling classes whenever possible. The attempts, however, have far from resolved the problem.

With additional major construction planned around the building, the noise problem will continue to hamper the teaching and learning processes in Kuykendall Hall.

Therefore, your Committee believes funds are necessary for the installation of an air conditioning system to minimize further the noise problem and to insure adequate conditions for educational purposes.

Your Committee is aware that because of the jalousie windows in Kuykendall Hall, modification work on the exterior walls will be necessary to complete the proper installation of the air conditioning system. Your Committee recommends that H.B. No. 2692-76 be amended, such that \$1,274,000 is appropriated for the air conditioning of Kuykendall Hall.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. 2692-76 as amended herein and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2692-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 129-76 Higher Education on H.B. No. 2687-76

The purpose of this Act is to make an appropriation for the continuation of programs of the Pacific and Asian Affairs Council.

Your Committee heard testimony from the Executive Director of the Program and from students currently involved in PAAC and finds as follows:

The Pacific and Asian Affairs Council (PAAC) provides a program of activities which promotes international awareness and understanding. In carrying out its purpose, the Council provides students, primarily in high schools, with an opportunity

to supplement their formal education with experiential involvement in local and global issues.

Your Committee supports the concepts, goals and programs of the PAAC and recommends an appropriation of \$85,000 for its continuation.

However, upon examination of the PAAC Budget for FY 1976-77, your Committee discovered the following:

Personal Services	
Executive Director (1.0)	\$17,850
Program Coordinator (1.0)	13,230
Assistant Program Coordinator (1.0)	12,600
Secretary (1.0)	10,080
Fringe Benefits	<u>5,376</u>
Total Personal Services	\$59,136
(Salary increases of 5% included)	
Student Help	2,340
Other Current Expenses	
Interisland Travel	
Executive Director	
(3 trips each to Hawaii, Maui & Kauai,	
2 trips each to Molokai and Lanai)	
Air Fare	\$ 572
Per Diem	780
Auto Rental	450
Program Staff	
(12 trips each to Hawaii, Maui & Kauai,	
5 trips each to Molokai and Lanai)	
Air Fare	\$ 2,214
Per Diem	2,055
Auto Rental	928
Office Rental	\$ 6,000
Research Corporation Service Fee 5%	4,250
Telephone Rentals	1,234
Printing and Duplication	1,200
Long Distance Calls	1,166
Private Auto Allowances	800
Office Supplies	595
Computer Time Expenditures	500
Utilities	480
Equipment Maintenance and Repair	<u>300</u>
Total Other Current Expenses	<u>23,524</u>
Total Budget Request	<u>\$85,000</u>

No part of the \$85,000 request has been specifically designated for student programs or expenses.

Your Committee is aware that individual PAAC clubs are responsible for raising funds through various money-making projects to support their own activities. However, to insure adequate funding for PAAC program costs, your Committee would like to designate a sum, exclusive of PAAC staff salaries and expenses, for student program costs. Your Committee recommends the adoption of the following amendment:

"Of the sum appropriated by this Act, \$20,000 shall be used for program materials and supplies, honoraria, student transportation, statewide conference expenses and other student activities costs."

Your Committee requests that the Pacific and Asian Affairs Council submit a detailed budget report, twenty days prior to the convening of the next Legislative session, on all student program expenditures.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2687-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2687-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 130-76 Higher Education on H.B. No. 2686-76

The purpose of this Act is to make a supplemental appropriation for student help pay to meet the increased minimum wage level at the University of Hawaii.

Your Committee heard testimony by the President of the Associated Students of the University of Hawaii and from the Budget Director at the University and finds as follows:

In September, 1974, the University raised the minimum wage for student employees from \$1.90 to \$2.00 per hour. The minimum wage was again increased in July, 1975 to \$2.40 per hour to comply with the new State minimum wage law. The two raises in two consecutive years have created shortages in student employment funds.

The University has been forced to absorb the higher wages within the limits of its allocation. This was accomplished largely through the limiting of hours worked by student employees.

Your Committee believes that the limitation on student work hours has had two adverse effects upon the University of Hawaii: first, many students are encountering difficulty in financing their education due to the fact that student work hours have been decreased and tuition costs have risen; and second, many functions of the University, such as the library, have been severely impaired because of the reduction in student help.

The additional cost of the minimum wage increase for the University of Hawaii at Manoa for FY 1976-77, was computed to be \$314,066. Therefore, your Committee has amended the bill, such that \$314,066 is appropriated for student help pay.

This appropriation will accomplish two critical objectives: increasing earning opportunities for needy and industrious students, and measurably better and more responsive operations at the University.

Your Committee is in accord with the intent and purpose of H.B. No. 2686-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2686-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Shito and Evans.

SCRep. 131-76 Consumer Protection and Commerce on H.B. No. 2809-76

The purpose of this bill is to encourage the formation and successful operation within the State of Hawaii of Small Business Investment Companies as defined by the federal Small Business Investment Act of 1958, as amended.

Small Business Investment Companies (SBICs) are privately owned and operated companies which are licensed by the Small Business Administration (SBA) to provide equity or venture capital and long-term loans to small firms. Often these companies provide management assistance to the companies which they help to finance.

In order to improve the economy and in particular, to encourage the formation and growth of small businesses, the Congress in 1958, enacted the Small Business Investment Act of 1958 to stimulate and supplement the flow of private equity capital and long-term loan funds needed by small businesses. Under the Act, the SBA is authorized to license, regulate and help finance SBICs which in turn provide financing to small business concerns.

Currently, there are more than 350 SBICs licensed and operating in the country with total assets exceeding \$750 million and outstanding investments in small businesses exceeding half a billion dollars. However, Hawaii presently has only two SBICs

and one of these was licensed in 1975.

One of the reasons for the lack of SBICs in Hawaii may be that under existing state laws, SBICs do not represent attractive investments to potential investors. Present state laws do not recognize SBICs as financial institutions and, therefore, SBICs do not receive considerations accorded other financial institutions. This bill would recognize SBICs as financial institutions by:

1. Exempting SBICs from the usury laws;
2. Exempting SBICs from the general excise tax and income tax and instead subjecting SBICs to the franchise tax paid by financial institutions.

Your Committee is in agreement that the formation and growth of small businesses should be encouraged and that the formation of SBICs in the state would benefit small businesses.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.B. No. 2809-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 132-76 Higher Education on H.B. No. 2791-76

The purpose of this Act is to provide funds for the Hawaiian Studies Program at the University of Hawaii.

Your Committee received testimony from the Chancellor of the University of Hawaii-Manoa, the Chairperson of the Hawaiian Studies Steering Committee, and from students in the Hawaiian Studies program and finds as follows:

Your Committee is aware that there is a growing desire among students at the University to focus their course of undergraduate study on the Hawaiian language, history, culture and arts. These students, at present, must pursue their interests within the Liberal Studies program and graduate without having their field of Hawaiian studies fully recognized.

Students, faculty, and members of the community involved in Hawaiian studies believe the establishment of a separate Hawaiian Studies program at the University of Hawaii is necessary for two reasons: first, a separate program would provide for the full recognition of a B.A. degree in Hawaiian Studies; and secondly, such recognition would provide impetus to further research in the area.

Your Committee recognizes that the Hawaiian Studies program has the potential of enriching all of Hawaii's people by providing a deeper understanding of the Hawaiian culture and history.

Your Committee is aware that during the 1975 Legislative Session, the State Legislature mandated a feasibility study on the establishment of a Hawaiian Studies Program at the University of Hawaii. The study, which was to be prepared for review during the 1976 Legislative Session, has not been submitted yet for the following reasons: first, of the original appropriation, only 40% of the funds were actually allocated by the University for study; and second, the reduced funds were not received by the investigating committee until November of last year. The investigation, however, has been completed and the report is in its final typing and printing stages.

The University administration has not been able to review the final Hawaiian Studies report and therefore the University has not urged for an appropriation at this time. However, your Committee feels that to delay funding at this point would severely hamper the development of the Hawaiian Studies Program.

Therefore, your Committee recommends an amendment, for the purpose of appropriating \$125,000 for the Hawaiian Studies Program.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2791-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2791-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Shito and Evans.

SCRep. 133-76 Higher Education on H.B. No. 2639-76

The purpose of this bill is to make an appropriation for the improved and expanded operation of the Department of Architecture at the University of Hawaii.

Your Committee has heard testimony from faculty and students in the Department of Architecture and from concerned professionals in the community and finds as follows:

Your Committee is aware that during 1973, all departments in the College of Arts & Sciences experienced severe cutbacks in budgetary allocations. The Department of Architecture was particularly affected for the following reasons:

1. The Department had just commenced a totally revised graduate-undergraduate program in architecture, of which one of the consequences was a 46 percent increase of student enrollments in the period from 1971 to 1973.
2. The University administration ruled that: 1) all faculty vacancies would be frozen; 2) no new faculty hiring would be permitted; and 3) all part-time lectureship positions were to be terminated in the following year. Out of the 15 full-time equivalent positions in the Department at the time of the budget cut, 19 part-time positions were filled by lecturers. Thus, the Department suffered a severe reduction in teaching staff.

The drastic increase in the student/teacher ratio coupled with the cut in budget had several serious effects:

1. Discontinuation of all advanced level undergraduate design courses.
2. A complete moratorium on all new students which began in 1974 and continues until today. In addition, many current architecture majors have to wait up to two years to begin their architectural programs.
3. The drastic curtailment or termination of all department supported programs in research and community service.
4. Major cutbacks in internal facilities including a reduction in library facilities and services and in shop services.

Your Committee is cognizant that although the National Architectural Accrediting Board granted accreditation to the Department until July 1977, serious deficiencies were cited including an inadequate budget, insufficient secretarial support, physical facilities too small, and inadequate library facilities.

Your Committee is cognizant that the University administration is aware of the current problems of the Department of Architecture. The University has recommended that additional appropriations be postponed until a final architecture program proposal completes the University approval process. However, your Committee believes that because the situation of the Department is critical, the program proposal review can occur concurrently with action needed to alleviate the most pressing problems. Therefore, your Committee recommends that funds be appropriated to enable the Department of Architecture to facilitate steps toward the improvement of the architectural program.

Your Committee further believes that these funds are only an interim measure. Additional support for the Department of Architecture in the next biennium will be necessary to insure the high quality of its educational programs.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2639-76, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Blair, Shito, Evans and Ikeda.

SCRep. 134-76 Higher Education on H.B. No. 2502-76

The purpose of this Act is to make an appropriation for all non-income generating sports programs offered at the University of Hawaii at Manoa.

Your Committee is cognizant that with the exception of men's basketball, football and baseball, all other sports programs produce little or no income. An Ad Hoc Athletic Program Facilities/Planning Committee, appointed by the Chancellor, has found that additional funds will be necessary in order to:

1. Maintain NCAA Division I levels of competition for men's basketball, baseball, football and golf and to maintain women's sports competition at national levels; and
2. Compensate for a projected deficit in the athletic budget attributable to the expenses connected with the non-income generating sports.

Your Committee believes that non-income generating sports are an integral part of the intercollegiate athletic program and should be continued.

Therefore, your Committee recommends an amendment for the purpose of appropriating \$385,000 for the non-income generating sports program at the University of Hawaii at Manoa.

It is the intent of your Committee that these funds be used so as to maintain an equitable distribution between the men's and women's sports programs in order to comply with the federal guidelines provided in Title IX.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2502-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2502-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 135-76 Judiciary on H.B. No. 2001-76 (Majority)

The purpose of this Act is to amend Act 197, Session Laws of Hawaii 1975 to provide additional funds to the Judiciary operating budget for fiscal year 1976-77 and supplemental funds for the Judiciary capital improvements budget in the same fiscal year.

Your Committee recommends that this Act should be amended as follows:

A new section is added to provide \$28,080 for the addition of three (3) Security Guard II positions, one for the Judicial Complex at the State Building, Hilo, Hawaii, one for the Judicial Complex at Wailuku, Maui, and one for the Judiciary Complex at Lihue, Kauai, and to provide \$7,332 for one (1) additional Account Clerk III (SR-10 level) for the fifth circuit, Lihue, Kauai. The above-mentioned salaries reflect a two per cent turnover savings provision.

For the purposes of consistency your Committee also recommends that this Act should be further amended as follows:

- (a) Sections 7, 8, 9 be changed to Sections 8, 9, 10 respectively.

Your Committee is also in agreement that the capital improvements portions of the Bill be approved as requested.

Also, your Committee is in concurrence that Section 5 of Act 197 be amended to the extent requested and embodied in Section 4 of H.B. No. 2001-76. The amendment would clarify the language contained in Section 5 of Act 197 and also work to recognize the principle of separation of powers.

Your Committee agrees that Section 5 of H.B. No. 2001-76 be adopted. The adoption as of that section would repeal Section 7 of Act 197, as the charge contained therein has been accomplished through the establishment of an independent non-profit corporation funded by the Law Enforcement Assistance Administration.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No.

2001-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2001-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

Representative Sutton did not concur.

SCRep. 136-76 Judiciary on H.B. No. 2715-76

The purpose of this Act is to establish a special revolving fund for each correctional facility store for the purchasing of items to be resold to inmates.

The creation of a special revolving fund eliminates the need to withdraw and subsequently reimburse general funds continually for purchase of items for resale from the correctional store receipts. Your Committee is in agreement that this Act facilitates efficient operation of all correctional stores, including the newly acquired facilities at the Halawa Correctional Facility and the Hawaii Community Correctional Facility, and that it encourages the stores to become self-sustaining.

Your Committee recommends an amendment for the purpose of allowing the proceeds of each revolving fund to be used at the discretion of the Director of the Department of Social Services and Housing for purchase of items or services for the benefits and needs of the inmates. The intent of this amendment is to enable such items as recreation equipment and supplies to be purchased for the use of the inmates.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 2715-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2715-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 137-76 Judiciary on H.B. No. 2438-76

The purpose of this Act is to appropriate funds from the general revenues of the State of Hawaii in the amount of \$265,810.79 to compensate persons pursuant to Chapter 351, Hawaii Revised Statutes, the Criminal Injuries Compensation Act.

During the year 1975, sixty-three (63) victims, thirty-three (33) doctors, twenty-seven (27) hospital cases, thirty (30) attorneys, and two (2) mortuaries were determined eligible to receive compensation under the Criminal Injuries Compensation Act.

Your Committee recommends that the sum of \$265,810.79 be appropriated from the general revenues of the State of Hawaii and be deposited into the Criminal Injuries Compensation Fund to be applied to making payments as authorized by the Criminal Injuries Compensation Commission.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 2438-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 138-76 Judiciary on H.B. No. 2857-76

The purpose of this Act is to establish a minimum wage for prisoners confined in any correctional facilities in the State of Hawaii.

The current inmate compensation rate is based on a 1971 level and is inadequate to keep pace with the costs of inmate correctional facilities store goods which have increased from 35% to 95% from the 1971 wholesale index. This subsistent level of compensation is presently the major complaint of inmates and contributes directly to poor work motivation.

Your Committee is in agreement that a minimum wage be established for inmates and recommends an amendment to this Act which establishes that the minimum wage

paid shall not be less than an average of 50¢ per hour; grade IV to be allotted 25¢ per hour, per prisoner, grade III 38¢, grade II 50¢, and grade I 63¢. For purposes of this pay schedule, your Committee concurs that \$154,700 be appropriated from the general revenues of the State of Hawaii.

Your Committee on Judiciary is in accord with the intent and purposes of H.B. No. 2857-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2857-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 139-76 Judiciary on H.B. No. 2150-76

The purpose of this Act is to change the law relating to notaries public to conform the durational residence requirement with present law and to raise bonding amounts and fees in order to cover increasing administrative costs.

Your Committee recommends that the durational residence requirement be abolished and that a notary public be at least eighteen years of age. Your Committee also recommends that fees charged by the attorney be increased to cover rising administrative costs.

Your Committee recommends an amendment to this Act which deletes Section 2 relating to official bonds.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 2150-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2150-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 140-76 Judiciary on H.B. No. 2241-76

The purpose of this Act is to require that "SCHOOL BUS" signs not be used on any vehicles except a school bus.

Your Committee recommends that "SCHOOL BUS" signs be limited in use to school bus vehicles only.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 2241-76, and recommends that it pass Second Reading and be referred to the Committee on Education.

Signed by all members of the Committee.

SCRep. 141-76 Judiciary on H.B. No. 2312-76 (Majority)

The purpose of this Act is to authorize immediately construction funds to permit the construction of correctional facilities in conformance with the Hawaii Correctional Master Plan.

The appropriation of the sum of \$10,181,000 out of the general obligation bond funds of the State of Hawaii will enable construction and operation of the Intake Service Center/Community Center for Oahu, Hawaii, Kauai, Maui and the Oahu High Security Facility. In order to yield the amount appropriated by this Act, the Director of Finance is authorized to issue general obligation bonds of the State.

Your Committee recommends that in the undertaking of the proposed construction of facilities there shall be strict segregation of pre-trial detainees from post-trial inmates to the maximum extent possible and that the Hoomana School not be confined to the high security population only. Your Committee also recommends that one (1) position for an electrician be filled at Hawaii State Prison immediately, with an increase of two SR levels to apply to the salary of that position. In addition, your Committee recommends that the administration of the Department of Social Services and Housing ensure that the Correctional Master Plan is explained to prison inmates at all State facilities, in particular, Hawaii State Prison, and to their families.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 2312-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

Representatives Carroll, Fong and Sutton did not concur.

SCRep. 142-76 Judiciary on H.B. No. 2427-76

The purpose of this Act is to establish and maintain a program within the Family Court of family counseling specifically oriented toward parental responsibility and the parent-child relationship.

Your Committee is in agreement that the Family Court provide a program for family counseling which relates to the parent-child relationship.

Your Committee recommends that the Family Court have discretion in requiring the attendance of parents at such a family counseling program and that the completion of such a program not be compulsory.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 2427-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2427-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 143-76 Education on H.B. No. 2815-76

The purpose of this bill is to appropriate \$65,000 for the continued operation of the Kalakaua Extended Project (KEP), an alternative education program at Kalakaua Intermediate school.

While the comprehensive public intermediate school provides the greatest number of alternatives to the large majority of students, there remains a significant number of students whose needs are not being met in the large formalized structured setting. In September 1973, the National Association of Secondary School Principals Journal reported over 100,000 students attending alternative school programs of various types in mainland states.

Kalakaua Extended Project (KEP) has been of great assistance in helping the potential dropout develop more positive attitudes toward school and learning. Test results have shown a marked improvement in students knowledge of the basic skills and attendance records reflect fifty percent increase in attendance.

In addition to servicing the students in the program, KEP has begun servicing Title I, special education, and TESOL and individual students within the regular school. This has resulted in the rare opportunity of the regular, special education, alienated and immigrant student to intermingle, communicate and hopefully understand each other.

Your Committee on Education is in accord with the intent and purpose of H.B. No. 2815-76, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 144-76 Agriculture on H.B. No. 2147-76

The purpose of this bill is to encourage more participation by private lenders in extending credit to farmers. The bill permits the Department of Agriculture to establish maximum interest rates chargeable by private lenders for loans insured by the Department consistent with lenders' going rate for similar loans.

Your Committee finds that the existing State Farm Loan program restricts the interest rate chargeable by private lenders to two percent above the prime rate. Particularly

during periods of "tight money," private lenders are unwilling to participate when the maximum chargeable interest does not provide a reasonable return. Presently, due to the restrictive interest ceiling placed on private lenders, activity under the insured loan program is practically nonexistent. In contrast, because of its higher interest ceiling, the Small Business Administration's office in Honolulu estimates that approximately 90 percent of its loans are under its guaranty programs.

Your Committee further finds that the Farm Loan Program has been confronted perennially with a shortage of available funds. While the establishment of Farm Credit System in Hawaii (comprised of the Federal Land Bank of Berkeley, the Berkeley Bank for Cooperatives, and the Federal Intermediate Credit Bank of Berkeley) has contributed much toward meeting the credit needs of farmers, there still exists a demand far exceeding available funds under the State Farm Loan Program.

Your Committee further finds that the change to the Farm Loan Program as proposed in this bill should induce private lenders to make credit available to more farmers, thus relieving some of the demand on the State financed lending program.

Your Committee on Agriculture is in accord with the intent and purpose of H.B. No. 2147-76 and recommends it pass second reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Inaba.

SCRep. 145-76 Agriculture on H.B. No. 2561-76

The purpose of this bill is to appropriate an unspecified sum for the conversion of certain existing structures at General Lyman Field in Hilo into a consolidation center for incoming and outgoing agricultural products.

Your Committee finds that an agricultural products consolidation depot at General Lyman Field would provide several economic advantages to Big Island shippers and handlers of agricultural products, thus strengthening the agricultural industry of our State. Among the advantages would be savings from customer-loading discounts as provided in freight tariffs, consolidation of shipments to qualify for volume shipment rate discounts, and reduced handling costs due to operation of vehicles licensed to operate within restricted areas.

Your Committee further finds that an added benefit may be the encouragement of the formation of various farmer cooperatives once the operational effectiveness of the proposed facility is demonstrated. Your Committee believes such farmer cooperation is essential to the growth of the agricultural industry in Hawaii.

Your Committee has amended H.B. No. 2561-76 to include a \$60,000 appropriation for the purposes described herein.

Your Committee on Agriculture is in accord with the intent and purpose of House Bill No. 2561-76, as amended herein, and recommends that it pass second reading and be referred to the Committee on Finance in the form attached hereto as H.B. No. 2561-76, H.D. 1.

Signed by all members of the Committee.

SCRep. 146-76 Agriculture on H.B. No. 3012-76

The purpose of the bill is to investigate methods of eliminating the Hamakua pamakani plant which is adversely affecting pasture lands by providing a \$50,000 appropriation for an entomology and plant pathology project.

Your Committee finds that the Hamakua pamakani plant is destroying pasture lands and the present method of biocontrol which utilizes the stem-galling fly, the leaf-feeding caterpillar and a fungus disease to control the plant is progressing slowly. Your Committee further finds that, the Department of Agriculture in cooperation with the University of Hawaii College of Tropical Agriculture has discovered other promising biological control methods which require further studies to determine their feasibility and suitability for introduction.

To support these efforts, your Committee finds that \$50,000 is required to introduce a full complement of natural enemies of the Hamakua pamakani plant in order to return infested pasture and range lands to grazing lands.

Your Committee on Agriculture is in accord with the intent and purpose of H.B. No. 3012-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 147-76 Agriculture on H.B. No. 2570-76

The purpose of this bill is to appropriate \$25,000 to the University of Hawaii, College of Tropical Agriculture, for research to improve existing fumigation methods which would eliminate fruit flies in avocados and develop alternative fumigation methods which meet United States Drug Administration standards.

Your Committee finds that the present method of fumigation, required by the United States Department of Agriculture for Hawaii avocados destined for the mainland, often has deleterious effects on the appearance of the fruit which affects its product desirability. At the present time no research is being conducted to find alternative disinfection methods.

Your Committee finds preliminary studies by the College of Tropical Agriculture indicated that low temperature storage of avocados at 46°F. for five days was sufficient to kill all fruit fly eggs and some larvae. However, further work on possible use of cold storage, or cold storage in conjunction with fumigation is needed and the College of Tropical Agriculture would be the appropriate agency to conduct such research.

Your Committee on Agriculture is in accord with the intent and purpose of H.B. No. 2570-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Inaba.

SCRep. 148-76 Housing on H.B. No. 2950-76

The purpose of this bill is to improve the financial capabilities of the Hawaii Housing Authority by: (1) providing greater flexibility in setting the rates of interest charged on funds of the Authority's Dwelling Unit Revolving Fund (DURF); and (2) allowing the Authority to charge service fees for interim construction loans to qualified developers and non-profit organizations.

Presently Chapter 359G sets the rate of interest on loans charged thereunder at 1% more than that paid by the State for general obligation bonds issued for the purposes of this Chapter. Experience has shown the current interest rate to be insufficient in generating adequate revenues to operate the program.

This legislative proposal seeks to amend the existing law to permit the Director of Finance, with the approval of the Governor and the Authority, to set interest rates chargeable under Chapter 359G after each sale of general obligation bonds of the State for the purposes of the Chapter. Interest rates shall be established so as to produce up to but not in excess of the maximum yield permitted to the States under the arbitrage provisions of the U.S. Internal Revenue Code.

It is the belief of your Committee that enactment of this measure will provide additional funds to help pay the operating expenses generated in carrying out the purposes of the Chapter.

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

1. page 2, lines 6 to 16 - The sentences beginning with "Prior to the issuance. . ." and ending with ". . . short term project notes" have been deleted.
2. page 2, line 17 - The words "so computed" have been deleted.
3. page 2, line 17 - The words "on an interim loan" have been inserted between

the words "interest" and "shall".

4. page 2, lines 18 to 21 - The sentence beginning with "In the event. . ." has been deleted.
5. page 3, lines 20 to 23 - The sentence beginning with "The interest on the loan. . ." has been deleted.
6. page 5, lines 5 to 8 - This paragraph has been deleted in its entirety.
7. page 5 - A new SECTION 4 has been added which provides for interest on loans secured and made under Section 359G-12.
8. page 6, lines 9 to 13 - The sentence beginning with "The downpayment loans. . ." has been deleted.
9. page 7, lines 16 to 20 - The sentence beginning with "The State's share. . ." has been deleted.
10. A new SECTION 7 has been added which provides for the Director of Finance, with the approval of the Governor and the Authority, to set interest rates chargeable under Chapter 359G after each sale of general obligation bonds of the State for the purposes of the Chapter.
11. Other technical changes have also been made.

Your Committee on Housing is in accord with the intent and purpose of H.B. No. 2950-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2950-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kiyabu and Hakoda.

SCRep. 149-76 Housing on H.B. No. 2909-76

The purpose of this bill is to provide that the Hawaii Housing Authority shall employ an executive secretary and may employ on a contractual basis other individuals not subject to civil service regulations.

This bill also changes the title of "Special Assistant to Housing" to "State Housing Coordinator" which would be more in line with his function and duties.

Your Committee believes that since the Authority functions very similarly to State Departments, the Executive Secretary of the Authority, like other department heads, should not be subject to civil service regulations. Your Committee also believes that the Authority should be permitted to hire on a contractual basis other individuals whose services to be performed are unique and essential to the execution and functions of the Authority under Chapter 356.

Your Committee on Housing is in accord with the intent and purpose of H.B. No. 2909-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Kiyabu.

SCRep. 150-76 Housing on H.B. No. 2948-76

The purpose of this bill is to improve the administration of the housing laws under Chapter 359G, Hawaii Revised Statutes, by providing for the following: (1) changing the title of "Special Assistant for Housing" to "State Housing Coordinator" and further, by allowing the hiring of civil service exempt individuals if a staff is not otherwise provided for; (2) enabling the Authority, instead of the Governor by Executive Order, to establish a Housing Information, Counseling and Referral Unit within the Hawaii Housing Authority; and further, by expanding the duties of such a unit by utilizing it to coordinate information on federal housing programs affecting the Chapter; and (3) repealing the lottery system of determining preferences when more applications are received than available units and initiating a system based upon date of receipt.

It is the belief of your Committee that the "first come, first served" system for determining preferences would be more equitable than the lottery system in providing for the needs of those who have applications pending with the Authority.

Your Committee on Housing is in accord with the intent and purpose of H.B. No. 2948-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Kiyabu.

SCRep. 151-76 Housing on H.B. No. 2079-76

The purpose of this bill is to provide a credit against income tax liability to persons who purchase a new home.

It is the belief of your Committee that such a credit would help to stimulate housing construction in the State. The credit would be based on 5% of the purchase price or up to a maximum of \$1,000; provided that if the purchase price is \$75,000 or less, the credit may be applied to the year in which the purchase was made and the following year. This credit would apply to calendar years 1977 and 1978.

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

1. page 1, line 13 - The period has been deleted, and the following added: "and which includes, without being limited to, a single structure, a single residential unit in a condominium project or a single residential unit in a cooperative housing project.
2. page 1 - A definition of the phrase "new principal residence" has been added.
3. page 1, line 17 - The definition of "purchase" has been amended by adding the following after "property": "but only if the property is not acquired by gift or from persons related to the purchaser, including but not limited to spouses, ancestors, lineal descendants, and the purchaser's corporations, partnerships and trusts."
4. page 2 - The definition of "purchase price" has been deleted and substituted with the following: "means the adjusted basis of the new principal residence on the date of acquisition thereof and shall include without being limited to all amounts attributable to its acquisition and construction but only to the extent that such amounts constitute capital expenditures and are not allowable as deductions in computing taxable income."
5. page 3, line 4 - "\$50,000" has been changed to "\$75,000".
6. page 3, lines 18 and 19 - The phrase "without purchasing another principal residence" has been deleted.
7. page 3, line 21 - The words "is disposed" have been added between the words "residence" and "shall".
8. page 3, subparagraph (2) has been deleted in its entirety.
9. page 5, line 22 - "1976" has been changed to "1978".
10. page 5, lines 22 and 23 - "January 1, 1977" has been changed to "December 31, 1976".
11. page 6, line 2 - The word "after December 31, 1976" has been inserted between "taxpayer" and "before".
12. page 6, line 10 - The words "signed" has been inserted between the words "a" and "certification".
13. page 6, line 12 - The word "ever" and the period after the word "sale" have been deleted; after the word "sale" the words "after December 31, 1976" have been added.
14. page 6 - A new subsection has been added which pertains to civil and criminal liabilities relative to false certification.

15. page 6, line 19 - "1975" has been changed to "1976".

16. Other technical and grammatical corrections have been made without change in substance.

Your Committee on Housing is in accord with the intent and purpose of H.B. No. 2079-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2079-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Kiyabu.

SCRep. 152-76 Education on H.B. No. 2369-76

The purpose of this Act is to establish a one-year pilot program to provide comprehensive services to learning disabled students on a contractual basis.

Your Committee finds that education must be extended to all children of Hawaii, regardless of home background, or mental, emotional, or physical difficulty. Approximately 25 per cent of the students identified as being in need of special support services are receiving services, including the learning disabled children. Public education should extend such children an opportunity for securing skills and developing abilities which will enable the child to adjust successfully to adult society, with as much independence as possible.

The learning disabled children require special compensatory education, on the whole not currently provided by the public education system. Such children are not uniformly in need of the "special education" classes now in existence, yet are often unable to function in a regular classroom situation. Therefore, the learning disabled constitute a significant gap group whose educational needs are not yet being fulfilled by the public education system.

This bill further requires evaluation of the pilot program and an assessment of the continuance of the program in future years, beyond the pilot program.

Your Committee has amended the bill to provide:

- (1) Clarification of the definition of learning disabled students;
- (2) Authorization to the Department of Education to establish rules for the letting of contracts under this Act;
- (3) An increase in amount provided for students to secure service, from a maximum of \$300 per semester to \$500 per semester.

Your Committee on Education is in accord with the intent and purpose of H.B. No. 2369-76, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2369-76, H.D. 1.

Signed by all members of the Committee.

SCRep. 153-76 Education on H.B. No. 2393-76

The purpose of this bill is to provide resource specialists trained in special education for each public school; at least one for each elementary school, at least two for each intermediate school, and at least three for each high school.

Your Committee finds that mere provision of regular and special education classes is insufficient to meet the educational needs of the children of Hawaii. The provision of resource specialists for public schools will enhance the educational programs in existence, and will contribute to making the education received by the students stronger and more responsive to individual needs. Your Committee further finds that particularly in the area of providing support services to teachers in terms of recommendations on effective teaching materials and methods, and in terms of helping individual students with particular learning problems, the resource specialists should provide a valuable service to the schools.

Your Committee has amended the bill:

(1) To provide that the resource specialists, while required to have special education training, shall be required to have such specific qualifications as may be determined by the Department of Education;

(2) To clarify committee intent by specifically providing that the services of the resource specialists shall not be limited to servicing only certified special education students;

(3) To provide that the resource specialists offer in-service training to classroom teachers to make them aware of the services offered.

In addition, your Committee has inserted the figure \$4,000,000 into the bill's appropriations clause, to provide for the intent of the bill.

Your Committee on Education is in accord with the intent and purpose of H.B. No. 2393-76, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2393-76, H.D. 1.

Signed by all members of the Committee.

SCRep. 154-76 Education on H.B. No. 2381-76

The purpose of this bill is to expand the membership of the Honolulu School Advisory Council for the Honolulu district from five to seven members.

The school advisory councils have long played an important role in the development of Hawaii's school system. In recent years, frustrations over the question of governance have been experienced, but the role of the school advisory councils remains a significant one as the front line in terms of education input from the grassroots.

The establishment of local school advisory councils is peculiar to Hawaii. These councils were an attempt to provide for lay participation on the grassroots level. They are invaluable in prompting citizen interest in the schools, in creating a wholesome environment for the school program, and in seeking solutions to school problems.

Your Committee believes that each school advisory council member should have an opportunity to directly express the desires of the people of his district on basic policies concerning education. Your Committee further believes that the people should be presented with clear choices on policies and issues of education, including an indication as to whether to expend funds to improve education to the point of excellence or to restrict them to be used for other public services. In order to make these determinations, the school advisory council members must be able to serve their district adequately and not be overburdened by an extremely dense population.

Your Committee feels that closer access to and better communication with the policy makers in education and the people who use the services is extremely important. The council members manage to serve as a liaison between the Board of Education and the local community, and between the Department of Education and the local community. In a highly centralized educational system such as what we have in this State, it is important that there be assurance that the views and expressions of the local communities be heard in an area that is of such vital importance to the public.

The services of the school advisory council members complement that of the Board of Education, the Department, and the Legislature itself, which began precedent setting district meetings to specifically provide a means of communication between the people and the policy makers.

Your Committee finds that a five-member council servicing sixty-two schools does not provide sufficient manpower and that a seven-member council can better service the schools in the Honolulu district.

Your Committee on Education is in accord with the intent and purpose of H.B. No. 2381-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 155-76 Education on H.B. No. 2649-76

The purpose of this Act is to appropriate public funds for equipment, including athletic equipment, furnishings, and improvements in the therapeutic and recreational areas for the Special Education Center at the Fort Ruger Complex, Oahu.

The Special Education Center of Oahu is a non-profit, non-denominational school founded in 1965 and incorporated in Dec. 1968. The primary goal of the school is to meet the educational and training needs of severely handicapped children who manifest any one or more of the following disabilities: mental handicaps, learning disabilities, autism.

SECO is unique in its non-exclusionary policy. The school accepts children who have no other educational alternative in the community. During a child's enrollment every effort is made to enable him to enter or re-enter the mainstream of Education. Last year, 45 students from a total of 110 returned to a regular school setting. Presently, the school has 30 students who are DOE referrals. Their tuition costs are partially subsidized by the State.

SECO's program is therapeutic. Programs offered by SECO's Ancillary Services are vital to therapeutic development of children suffering from one or more of the aforementioned disorders. Presently, the school offers occupational therapy, visual motor therapy, speech therapy, and physical education. Other physical education activities include teaching of locomotor skills, ball-handling skills, listening skills and development of overall fitness through calisthenic trampoline, and games. Additional enrichment activities for the emotionally disturbed child include art therapy, movement therapy, and group therapy.

Your Committee concurs with testimony supporting the importance of the aforementioned services and the need, for adequate equipment. Your Committee supports the \$125,000 appropriation to be used for specialized teaching equipment, classroom furniture and fixtures. These monies, your Committee feels, will enable SECO to provide its student with the comprehensive services essential to their therapeutic development.

Your Committee on Education is in accord with the intent and purpose of H.B. No. 2649-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 156-76 Education on H.B. No. 3103-76

The purpose of this bill is to establish classifications for teachers which the Department of Education is required to follow in classifying all teachers, and to provide that any technical school teacher transferred to the community college system of the University of Hawaii shall not suffer loss of salary, seniority, prior service credit, vacation, sick leave, or other employee benefit or privilege. The bill further requires that the Board of Education adopt a classification plan for and classify all educational officers, and to determine the salary ranges of educational officers based upon the classification plan so adopted.

Your Committee finds that this bill responds to certain recommendations of the Legislative Auditor's management audit of the Department of Education. The report provided, inter alia, guidelines for the development and implementation of a position classification plan for educational officers. The bill proposes to correct existing deficiencies in the present classification plans, and address the concerns enunciated by the report.

Your Committee further finds that passage of this bill would provide flexibility and uniformity in terms of classification needs, as follows:

(1) Seeks to establish uniform and consistent minimum qualification requirements for State and District level classes, for the lack of these requirements hampers the promotional process. The present class titles are not descriptive enough to reflect the various responsibilities and to establish consistent qualification requirements for uniform application. For example, positions in the Staff Specialist I and II classes function in business, personnel, facilities and other educational support areas. Testimony indicated that these functional areas are distinct professional disciplines and should be recognized by appropriate class titles and minimum qualification requirements.

(2) Seeks to establish a two-step appeal process which recognizes an educational officer's right to due process, should he disagree with any classification action taken on his position. Under the present statutes, there are no provisions by which an educational officer may appeal a classification action, as there are no means to submit a request for appropriate classification review and action; and

(3) Seeks to establish procedures by which an educational officer can submit a classification request for appropriate review and action. Under present laws, only through the legislative process can classification changes be made.

Your Committee recognizes that the classification plan should be responsive and flexible to the needs of the Department and its employees. A classification plan is a management tool which serves to recognize the levels of responsibility, authority and complexity with like levels of compensation.

Your Committee on Education is in accord with the intent and purpose of H.B. No. 3103-76, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 157-76 Education on H.B. No. 3034-76

The purpose of this bill is to provide adequate compensation to the Board of Education by amending Section 296-5, Hawaii Revised Statutes.

Section 296-5 (3), Hawaii Revised Statutes, currently allows members of the Board of Education \$25.00 per day for board and lodging while attending board meetings on an island other than the island in which his board district is located or while traveling abroad. This compensation is less than that paid to State employees.

Your Committee believes this inequity needs to be corrected and recommends compensation be paid at the rate received by all State employees.

Your Committee on Education is in accord with the intent and purpose of H.B. No. 3034-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3034-76, H.D.1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 158-76 Education on H.B. No. 2979-76

The purpose of this bill is to provide for the establishment of an alternative school on Molokai.

Your Committee finds that the provision of education to the young people of this State requires the provision of various types of educational programs and approaches. The breadth of human individualism warrants consideration of development of human abilities consonant to individual needs. The development of an educational system, therefore, must be flexible in terms of serving the best interests of the children of Hawaii. Molokai is presently served by regular education programs, and a specialized alternative school serving the needs of students with automotive interests. Those whose needs, desires, and goals are not served by either approach are unserved or served only to a limited degree. The establishment of an alternative school will expand the educational opportunities available to Molokai youngsters, and will augment the fulfillment of the educational role of the public school system.

Your Committee has amended the bill to clarify its intent in terms of developing an alternative program in addition to the Molokai Garage project. The new program emphasizes reading, math, workshop experiences guidance, counseling, and social lifestyle on Molokai.

Your Committee has further amended the bill by inserting the figure \$25,000 into the appropriations clause for the purposes of the bill. Funds are included for a counselor, program aide, supplies, and equipment.

Your Committee on Education is in accord with the intent and purpose of H.B. No. 2979-76 as amended herein, and recommends that it pass Second Reading and be referred

to the Committee on Finance in the form attached hereto as H.B. No. 2979-76, H.D. 1.

Signed by all members of the Committee.

SCRep. 159-76 Energy and Transportation on H.B. No. 2010-76

The purpose of this Act is to allow taxpayers to claim as a credit against their income tax liability a portion of the costs of installing an alternate energy improvement.

The energy crisis of early 1974 called attention to Hawaii's almost total dependence upon imported petroleum for its energy requirements. And while fossil fuel resources are finite and diminishing, increases in demand necessitate the purchase of increasing quantities of foreign oil to make up the difference.

Hawaii is generously endowed with a variety and abundance of natural energy resources including geothermal, solar radiation, ocean thermal, wind, waves, tides, and ocean current. Development of these alternate sources of energy can contribute significantly to our energy needs.

A tax credit allowance on alternate energy improvements would provide incentive to the taxpayer to use energy sources other than fossil fuels, or to reduce the use of these fuels.

Your Committee heard testimony from the Department of Taxation, the Department of Planning and Economic Development and private citizens favoring tax incentives for alternate energy improvements. Your Committee recommends the following amendments:

- (1) That a 5 per cent credit be allowed for corporations and a 10 per cent credit be allowed for individuals, because the taxpayer in a business situation is allowed certain depreciation expenses which a non-business taxpayer is not;
- (2) That the excess of credits over payments due shall not be refunded to the taxpayer as recommended by the Tax Department because revenue impact cannot be determined;
- (3) That the criteria for qualifying as an alternate energy improvement be established by the energy resources coordinator;
- (4) That "coal" be deleted because it is a fossil fuel; and
- (5) That "nuclear power" be deleted because of its potential danger.
- (6) That nuclear fission be specifically excluded from the provisions of this Bill;
- (7) That the qualifying percentages be deleted from the Bill as recommended by the Department of Planning and Economic Development because there are no standards for energy efficiency presently.

Your Committee on Energy and Transportation is in accord with the intent and purpose of H.B. No. 2010-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2010-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kiyabu, Shito, Evans and Larsen.

SCRep. 160-76 Legislative Management

Informing the House that House Resolution Nos. 335 to 346, House Concurrent Resolution No. 56, and Standing Committee Report Nos. 161-76 to 288-76, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 161-76 Youth and Elderly Affairs on H.B. No. 2022-76

The purpose of this bill is to have the Commission on Aging or the Executive Office

on Aging, as the case may be, establish State policy for senior centers. The policy shall include, but not be limited to, the establishment of long range and immediate goals and objectives, State standards for the operation and maintenance of senior centers, priorities for program implementation, delineation of roles of State and Counties relative to the administration of centers, and the establishment of a monitoring mechanism.

Senior centers have been recognized by your Committee, the State Commission on Aging, the Kokua Council for Senior Citizens, the National Retired Teachers Association, the American Association of Retired Persons, the Advisory Council of the Department of Parks and Recreation of the City and County of Honolulu, and by private citizens as one of the important services for the elderly, enhancing the lives of those seniors who continue to live in the community. Testimony given at the public hearing on the bill indicates that such policy would allow for maximum effectiveness in administering Hawaii's senior centers.

Your Committee recommends that Section 3 of H.B. No. 2022-76 be amended to read as follows:

- (a) Section 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$3,500, or so much thereof as may be necessary, to the Commission on Aging or the Executive Office on Aging, as the case may be, for the purpose of this Act.

Your Committee on Youth and Elderly Affairs is in accord with the intent and purpose of H.B. No. 2022-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2022-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 162-76 Youth and Elderly Affairs on H.B. No. 3162-76

The purpose of this Act is to abolish the youth affairs component in the Office of Information and Youth Affairs in the Office of the Governor, and to transfer its functions to the Commission on Children and Youth or, if established, the Office of Children and Youth.

Your Committee finds that the responsibilities of the information component and those of the youth affairs branch are not sufficiently related to warrant their continuing co-existence within the same body.

According to testimony submitted to your Committee by a former director of the Office, it became clear shortly after the establishment of the Office that the informational requirements faced by the agency's staff precluded the meaningful pursuit of a youth affairs program as detailed in Chapter 27, Hawaii Revised Statutes.

Testimony presented by the Office of Information and Youth Affairs and by the Oahu Commission on Children and Youth were in support of H.B. No. 3162-76 and concurred with the conclusion of the abovementioned former director that a separate agency to deal with the functions of the youth affairs branch of the Office would best serve the needs of the community.

Your Committee has amended SECTION 2 (2) of this Act to provide that property of the youth affairs component shall be transferred to the Commission on Children and Youth or, if established, the Office of Children and Youth; the bill had previously provided for the transfer of all Office property.

SECTION 2 (3) of this Act originally provided that all legislative appropriations made for the Office of Information and Youth Affairs be transferred to the Commission on Children and Youth or, if established, the Office of Children and Youth; this subsection has been amended to state that \$8,200 shall be transferred. This figure was provided to your Committee by the Office of Information and Youth Affairs, and represents that fraction of the Office of Information and Youth Affairs' total budget that had been allocated to the youth affairs component.

Your Committee on Youth and Elderly Affairs is in accord with the intent and purpose of H.B. No. 3162-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3162-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Shito, Evans and Ikeda.

SCRep. 163-76 Youth and Elderly Affairs on H.B. No. 2793-76

The purpose of this Act is to appropriate out of the general revenues of the State of Hawaii the sum of \$15,000 for the continuation of the Waianae Coast congregate dining program.

The present congregate dining program serves meals to approximately twenty elderly persons daily excepting weekends and holidays, as well as providing additional support services such as assistance in obtaining medical services, food stamps and homemaker services, and taking the participants on excursions.

Your Committee finds that the participants of this program, whose average age is 73 years, are being provided essential services by this program, and that it is important for the delivery of these services to continue.

SECTION 1 of this Act has been amended to provide for an appropriation of \$15,000 rather than \$25,000. Testimony provided by the Waianae-Nanakuli District Council indicated that this amount is required to fund the program at its current level throughout FY 76-77.

Your Committee on Youth and Elderly Affairs is in accord with the intent and purpose of H.B. No. 2793-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2793-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Shito, Evans and Ikeda.

SCRep. 164-76 Youth and Elderly Affairs on H.B. No. 3054-76

The purpose of this Act is to appropriate out of the general revenues of the State of Hawaii the sum of \$25,000, or so much thereof as may be necessary, to provide an additional one hundred meals a day to senior citizens at three food service sites on Kauai and to provide for the hiring of one additional staff person.

The County of Kauai has the State's highest percentage of senior citizens, and second highest percentage of elderly subsisting at or below the federally-established poverty level. This nutrition program addresses itself to one of the most fundamental problems of these elderly poor, serving those who are economically deprived, limited in mobility, unable to provide care for themselves, or who are isolated either physically or socially from the mainstream of community life.

Federal funds are presently the sole support of the Kauai nutrition program, which serves 240 meals in four sites chosen by the Area Agency on Aging according to such factors as availability of transportation. The sum of \$25,000 appropriated by this Act will cover the cost of serving an additional 100 meals.

Your Committee on Youth and Elderly Affairs is in accord with the intent and purpose of H.B. No. 3054-76 and recommends it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Shito and Evans.

SCRep. 165-76 Youth and Elderly Affairs on H.B. No. 2818-76

The purpose of this Act is to appropriate out of the general revenues of the State of Hawaii the sum of \$12,000 or so much thereof as may be necessary to provide a grant-in-aid to Kaumana Elderly Care Center for the implementation of services to the elderly.

The Kaumana Day Care Center, operated since February 2, 1976 by the Kaumana Drive Baptist Church, is the first elderly day care center on the Island of Hawaii. The Center was planned with the cooperation of the Department of Social Services and

Housing, which also provided technical assistance and licensed the Center to provide services to 12 participants.

According to testimony received from the Department of Social Services and Housing, the Department's Hilo branch reports that the Kaumana Day Care Center provides a comfortable, safe and protective environment for its elderly participants, while providing the participants and their families a viable alternative resource to costly institutional or other domiciliary placement.

The sum of \$12,000 appropriated by this Act is a one-time, start-up grant which is necessary to hire an additional staff member and to purchase such basic equipment as a bed, a vacuum cleaner and first aid supplies. According to testimony submitted by the pastor of the Kaumana Drive Baptist Church, the money contributed by the State is to be augmented by a federal grant of \$7,500 channeled to the program by the County Office of Aging and \$1,050 donated through trust funds and by community organizations.

Your Committee has amended SECTION 2 of this Act so as to substitute the Department of Social Services and Housing for the Department of Health as the expending agency, thereby correcting an error made in the original bill.

Your Committee on Youth and Elderly Affairs is in accord with the intent and purpose of H.B. No. 2818-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2818-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Shito and Evans.

SCRep. 166-76 Youth and Elderly Affairs on H.B. No. 2598-76

The purpose of this Act is to grant to persons 60 years of age and over an excise tax exemption on retail purchase of prescription drugs.

Section 237-16, Hawaii Revised Statutes, provides that every person engaging or continuing in the business of selling tangible personal property shall be subject to the tax rate of four percent on the gross proceeds of sale or gross income received or derived from such retailing.

This Act proposes to amend Chapter 237 by adding a new section to provide an exemption for persons age 60 and over on the purchase of prescription drugs for human consumption. This Act does not exempt the seller from the four percent tax on the gross proceeds or gross income received from the sale of such drugs.

The scope of the original bill, which allowed the exemption for auditory, prosthetic, ophthalmic and ocular devices and appliances, splints, bandages or other mechanical, electronic, optical or physical equipment or articles or the component parts and accessories thereof, has been narrowed so as to allow the exemption only on the purchase of prescription drugs.

Your Committee has amended this Act by deleting the provision that senior citizens identify themselves by means of a certificate issued by the Department of the Attorney General; instead, persons 60 years of age and over are to identify themselves by presenting their prescription to the retailer together with one of the following sources of identification: a) an automobile driver's license duly issued by any state or territory of the United States; b) birth certificate; c) medicare card; d) state or county identification card; or e) any other means of identification approved by the Attorney General of the State of Hawaii. This method enables the retailer to verify both the age of the purchaser and the fact that the prescription has been made for the person making the purchase.

Your Committee has also deleted Section 2 of the original bill, providing for the issuance by the director of the Department of Taxation of a certificate of adjusted gross income to qualifying persons 60 years of age and over.

These amendments have been made in order to eliminate the potential administrative burden and the burden on the elderly which might dissuade them from making use of the exemption provided by this bill.

Sections 4 and 5 have been renumbered 2 and 3, respectively.

The "Comprehensive Master Plan for the Elderly" prepared for the Hawaii State Commission on Aging states that in 1969 17 percent of Hawaii's elderly had incomes which placed them below the official U.S. poverty level.

The diminished purchasing power of the dollar in Hawaii as compared to other U.S. jurisdictions, coupled with the effect of inflation on those living on fixed incomes such as social security, suggests that the number of elderly in this State who are in fact unable to maintain a decent and healthful standard of living is significantly higher than 17 percent.

Your Committee is concerned about the plight of these senior citizens, the majority of whom have throughout long years of employment paid their taxes and made their economic contribution to Hawaii. Your Committee therefore desires to eliminate the excise tax on prescription drugs for these senior citizens, thereby making adequate health care more accessible to them.

Your Committee on Youth and Elderly Affairs is in accord with the intent and purpose of H.B. No. 2598-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2598-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Shito and Evans.

SCRep. 167-76 Public Assistance and Human Services on H.B. No. 2302-76 (Majority)

The purpose of this bill, as amended herein, is to amend Section 346-15 Burial of an Indigent, Hawaii Revised Statutes, by specifying that the Department of Social Services and Housing may pay up to \$400 each, for two forms of services: mortuary and crematory; and cemetery; provided that services are furnished by a provider under contract by the Department. Relatives of the decedent may choose either mortuary services or cemetery services, or both forms of service.

The original purpose of the bill was to amend section 346-15 to permit relatives of the decedent to freely choose a provider of burial services. Your Committee finds the original purpose contrary to the intent of providing dignified burial services for indigent persons. The effect of free choice/no contract would be detrimental cost wise to surviving relatives. Moreover, the Department would not be able to provide full service for persons with no known survivors. These persons constituted approximately one-half of the 418 cases in calendar year 1975.

Section 346-15, Hawaii Revised Statutes, presently limits payments for burial services to \$400 per person. Current market costs, however, average around \$1,100 to \$1,200 which includes \$400 for a plot, \$260 for opening and closing the grave, and \$500 for a casket and mortuary services. On Oahu, as of December, 1975, the Department could only contract for full cremation services at \$400 per person; thus, relatives desiring burial of the deceased, must pay for the additional cost themselves.

Your Committee finds that the \$400 statutory limit does not realistically reflect present day funeral costs and recommends that an addition \$400 be provided. An additional appropriation of \$198,000 would be required to adequately fund this program in fiscal year 1976-77. Total program cost for calendar year 1975 was \$172,000 with approximately 20% recovery from claims against the estate of the deceased or the lump sum death benefit available through the Social Security Administration.

Your Committee further recommends that the effective date of this Act be amended to July 1, 1976, to allow the Department sufficient lead time to promulgate rules and regulations for the purpose of administering and implementing this Act.

Your Committee on Public Assistance and Human Services is in accord with the intent and purpose of H.B. No. 2302-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2302-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

Representative Carroll did not concur.

SCRep. 168-76 Public Assistance and Human Services on H.B. No. 2300-76

The purpose of this bill is to amend Chapter 346, Hawaii Revised Statutes, by adding a new section which directs the Department of Social Services and Housing to adopt rules to permit payment to providers of group psychotherapy for services to Medicaid recipients. The Department's rules shall also provide for the transportation of patients or providers in order to insure uniform availability of services.

Group therapy has been found to have significant therapeutic value in helping some persons adjust to living conditions and situations. The group provides the individual member with support and attention as well as self-appraisal and constructive criticism which creates an environment favorable to modifying old behaviors and learning new patterns of behavior. The group milieu is distinctly different from that of the individual therapist and his patient.

Testimony from Dr. Vit Patel, staff psychiatrist at Queen's Medical Center, stated that Queen's currently provides group therapy services without reimbursement, to a number of Medicaid patients whose treatment plans indicate such need. Other patients presently receiving individual therapy would probably progress equally well in groups which, when clinical variables are equal, are more efficient in terms of time and money.

The Department's testimony on this bill expressed special concern about additional program costs related to the mechanics of providing group therapy services. Some guidelines such as the length and frequency of treatment sessions, and costs per session were proposed by testimony from the Hawaii Medical Association. Through the promulgation of rules and regulations, the Department can control the cost of providing group services.

Your Committee recommends the following amendments to the bill for purposes of administering and implementing this Act:

- a) Section 2, (b): "includes any method of" was deleted and substituted with "shall be defined as" for the purpose of restricting the definition of group therapy.
- b) Section 4: The effective date was amended to July 1, 1976, to allow sufficient time for the Department to promulgate rules and regulations pursuant to the administration and implementation of this Act.

Your Committee on Public Assistance and Human Services is in accord with the intent and purpose of H.B. No. 2300-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2300-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 169-76 Higher Education and Education on H.B. No. 2919-76

The purpose of this bill is to establish a two-year pilot project to determine the effectiveness of the manpower training program administered by the community college system of the University of Hawaii in providing a job-oriented career opportunities program for secondary school students dissatisfied with curriculum offerings presently available to them. The Legislative Auditor is required to evaluate the pilot project.

Your Committees find that there are secondary school students who have dropped out of school, or who are attending school without furthering the realization of their economic potentials, as a result of conventional educational programs and alternative programs not being suited to their interests, needs, and goals in securing desired job skills. While existing programs serve a sound purpose, there are students whose needs are not served by either the regular or alternative education programs, and whose needs should be served through the provision of suitable career opportunities programs through manpower training programs. The extension of present manpower training programs to secondary school age students may fill the education and training gap experienced by the target population, and the pilot program proposed by this bill would test the effectiveness of such programs on secondary school age students. Moreover, the adequate preparation of young people for productive adult lives may significantly alleviate the continued spiraling of social and economic problems within the State.

Your Committees on Higher Education and Education are in accord with the intent

and purpose of H.B. No. 2919-76 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives
Inaba, Shito and Evans.

SCRep. 170-76 Higher Education on H.B. No. 2761-76

The purpose of this bill is to appropriate funds for two positions to develop further, the Philippine Studies Program.

Your Committee is aware that during the last legislative session, the State House of Representatives provided an appropriation of \$125,000 and 6.0 positions for the establishment of the Philippine Studies Program at the University of Hawaii-Manoa, pursuant to a feasibility study conducted at the request of the 1974 Legislature. However, the final appropriation in the State Budget Act was 1.5 positions and \$25,000.

Despite the large reduction in anticipated funds, your Committee is cognizant that the Philippine Studies Program has made considerable progress in developing a comprehensive program. Last fall, fifteen courses on the Philippines or on Filipinos were offered on the Manoa campus. This spring, there are nineteen courses with a total enrollment of about 220 students. In addition, the Philippine Studies Program has established a Philippine Studies library collection and reference service.

Your Committee is aware that the Philippine Studies Program has responded to numerous requests from public schools, community organizations, and other groups for speakers, consultation advice, audio-visual and written materials and other resources relating to the Philippines and the Filipino experience in Hawaii.

Your Committee believes that Philippine Studies has the potential to make a major contribution to the development of Asian studies, an area designated for selective excellence at the University. In addition to academic value, your Committee believes Philippine Studies is relevant to the community given the growing number and importance of Filipinos as an ethnic group in the state. Increased knowledge of Filipino culture and history will help to promote understanding and cooperation within that changing community.

Your Committee feels that increased support will provide for the expansion and improvement of this valuable program. A detailed budget proposal has been received and reviewed and your Committee recommends that an amendment for the purpose of appropriating \$40,707 for the Philippine Studies Program be adopted.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2761-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2761-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Shito and Evans.

SCRep. 171-76 Higher Education on H.B. No. 2437-76

The purpose of this Act is to amend the Hawaii Revised Statutes to provide tuition waivers for students fulfilling student teaching requirements in the College of Education, University of Hawaii-Manoa.

Your Committee heard testimony from the Dean of the College of Education at the University of Hawaii-Manoa and finds as follows:

Your Committee is aware that all students at the University of Hawaii majoring in education must complete a semester of student teaching as part of their degree requirements. Students engaged in "practice teaching" are required to spend approximately 35 hours per week in their assigned schools and an additional 35 after-school hours in preparation.

During this semester, students are advised to quit any form of employment in order to devote total effort and energies toward teaching. Although these students receive credits for teaching, they receive no financial compensation for working up to 70 hours per week.

Therefore, your Committee recommends that financial assistance in the form of tuition waivers should be provided to student teachers as compensation for their time and dedicated work.

Your Committee has included the amendment that tuition waivers shall be provided to all students fulfilling "student teaching" requirements in the College of Education. Your Committee believes that this description more precisely reflects the intent of the Act.

Your Committee also recommends an amendment to appropriate the funds necessary to carry out the purposes of this Act. Such amendment would be as follows:

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for the purposes of this Act.

SECTION 4. The sum appropriated shall be expended by the University of Hawaii for the purposes of this Act.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2437-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2437-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Shito and Evans.

SCRep. 172-76 Higher Education on H.B. No. 3006-76

The purpose of this Act is to make an appropriation for an additional civil service position for the Office of the Dean of Students at the University of Hawaii-Manoa.

Your Committee heard testimony from the President of the Associated Students at the University of Hawaii and from the Dean of Students, and finds as follows:

In 1975, the Executive budget submitted to the Legislature included an additional civil service position for Student Services which was to be assigned to the Dean of Students Office. The position and accompanying funds, however, were not appropriated.

Your Committee is aware that the demands on the secretary in the Dean's office have increased due to the greater involvement of the Dean in student conduct and grievance cases, University committees and in the College Opportunities and Trio Projects. The overload of work has resulted in the failure of that office to provide timely service to students and faculty of the University. The Specialist in the Dean's office who handles the Family Educational Rights and Privacy Act, academic grievance, and problems associated with Title IX implementation has been without any clerical support. Further, the Dean's office has been unable to respond as quickly as needed on requests for information, and in general, has not been able to meet the legitimate demands of students and faculty.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 3006-76, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Shito and Evans.

SCRep. 173-76 Higher Education on H.B. No. 3004-76

The purpose of this Act is to appropriate one position and accompanying funds for an additional University Physician and one half position with accompanying funds for a Medical Technologist for the Student Health Service, University of Hawaii at Manoa.

Your Committee heard testimony from the Dean of Students, University of Hawaii at Manoa, and finds as follows:

The demands upon the Student Health Service of the University of Hawaii at Manoa have increased dramatically and at a substantially greater rate than has student enroll-

ment. Some of these demands have been associated with the monitoring of the State statute requiring TB clearances, increasing interest for programs in drug and alcoholic abuse, and an apparent increase in the number of emotionally disturbed students referred to the Health Center by other students, faculty, and staff. The overall increase in utilization of the Health Service is probably due to the fact that more students are living on or near campus and are relatively independent of parental health care resources. In addition, a major new factor has been student expectation for certain family planning programs and services. These services have been funded mainly through Federal grants. However, the continuation of such funds is very problematical and it appears likely that Federal funds will be substantially reduced in the future, if not eliminated completely.

Your Committee finds that the maintenance of adequate health care for students at the University of Hawaii is dependent on a staffing level which, while still substantially below that of institutions of comparable size, requires these additional 1.5 positions.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 3004-76, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Shito and Evans.

SCRep. 174-76 Higher Education on H.B. No. 2198-76

The purpose of this bill is to make an appropriation for the public services program of the College of Continuing Education.

The public services program is designed to provide citizens throughout the state with an opportunity to benefit from the resources concentrated within the University.

At present, the public services program includes: 1) the conference center which provides planning and administrative services to community groups, professional organizations and state departmental units; 2) Lama Ku which seeks to foster understanding of the different cultures in Hawaii; 3) the Lyceum program which promotes statewide performances by Mainland and Asian professionals; 4) the Kauai Community Service Program which provides training, cultural presentations and a lecture series; 5) the Chado Program which promotes understanding of the Japanese Tea Ceremony; and 6) the pre-retirement program which offers retirement preparation seminars.

Your Committee is aware that although College of Continuing Education courses are required to operate on a self-supporting basis, it is unlikely that the public services program will ever be able to do so. Rural communities, small population bases, and groups with special problems often do not have the financial resources to sustain these services. These programs were in part, supported by tuition income derived from credit and non-credit courses.

Your Committee believes that the continued use of tuition revenues to cover the losses incurred in the public services program will unfairly tax the continuing education student enrolled in credit and non-credit classes.

Therefore, your Committee recommends that an appropriation be included to fund the public services program separately.

Lastly, your Committee heard testimony that the University administration is currently investigating the entire financial situation of the College of Continuing Education and is seeking alternative long-range solutions. Such a report would have possible fiscal implications for the 1977-79 biennium budget and should be submitted prior to the convening of the 1977 Legislature.

Your Committee recommends an amendment to appropriate \$206,203 for the public services program of the College of Continuing Education.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2198-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2198-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Shito and Evans.

SCRep. 175-76 Higher Education on H.B. No. 3003-76

The purpose of this Act is to make an appropriation for one professional position and one clerical civil service position for the Office of Placement and Career Planning at the University of Hawaii at Manoa.

Your Committee heard testimony from the Dean of Students, University of Hawaii at Manoa, and finds as follows:

The employment market for University of Hawaii graduates has deteriorated badly since 1971. Such deterioration is reflected in a variety of government documents and, in particular, the Hawaii Honolulu Manpower Review, 1974-75, published by the Department of Labor and Industrial Relations.

Your Committee finds that due to the tight employment market, the need for career planning is greatly intensified. Students are discovering that their selected fields of study do not readily open employment opportunities and consequently they must examine a variety of less obvious possibilities.

The two positions requested will enable the Office of Placement and Career Planning to respond more quickly and effectively to potential employers by improving the clerical "turn around" time. The additional professional position will also allow the office to spend more time in counseling students on possible careers which will fit their academic training and their personal interests.

Your Committee has amended the bill to include an appropriation of \$21,036 for the funding of these positions.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 3003-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3003-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Shito and Evans.

SCRep. 176-76 Higher Education on H.B. No. 2895-76

The purpose of this bill is to provide funds immediately for the construction of interim Law School facilities at the University of Hawaii-Manoa in order to maintain accreditation by the American Bar Association.

Your Committee is aware that the ABA mandated that the required facilities must be ready for occupancy by September 1976. In order to meet this deadline, the plans for the additional facilities have been started with prior appropriations. Construction funds, however, are immediately needed if construction is to be completed by September.

Through the usual CIP process, funds will not become available for construction until July 1, 1976. Therefore, the Governor is seeking funding through a special appropriation measure, as permitted by Article VI, Section 5, of the Constitution of the State of Hawaii.

The Law School will be displacing certain other programs in adjoining temporary facilities and funds are required to relocate and renovate other portable buildings to be used by these programs. The bill has been amended to include this change.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2895-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2895-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Shito and Evans.

SCRep. 177-76 Education on H.B. No. 874

The purpose of this Act is to accelerate the establishment of a computer utilization program within the public school system of the State of Hawaii and a sub-program of

computer support to instruction.

Efforts to develop a statewide plan for (1) the use of computers to improve instructional delivery (e.g. basic skills) and instruction support systems (e.g. access to resources and for curriculum improvement), and (2) the study of computer science (e.g. programming) were initiated in September, 1975. The mathematics education program specialist was assigned to serve as Acting Coordinator of Computer Education. A sub-Committee of the University of Hawaii's Computer-Based Education Committee served as an interim resource group to advise the Acting Coordinator with another group providing broad input into the Department of Education's statewide plan.

Three complementary proposals are now being reviewed by the Acting Coordinator for Computer Education. Ideas from these proposals will be synthesized and incorporated into a more comprehensive program which will service students in grades K-12 throughout the State.

Computer science education in mathematics has been initiated in some public schools. These schools have received temporary assistance from the University of Hawaii, Leeward, and Kapiolani Community Colleges. Some federal monies have been used to catalyze computer science in business education. Programs have been discontinued in some schools because of the unworkability of using college facilities for public school classes.

Although plans are still in the embryonic stages, and there is much controversy over program details, informed and concerned professionals concur on the need for:

- (1) an Instructional Systems Analyst;
- (2) a Computer Science Coordinator; and
- (3) rented or purchased computer equipment with inter-active, time-sharing capabilities.

Your Committee concurs with testimony presented by the Department of Education on the importance of computer awareness in today's highly technical world. Your Committee finds that there is practically no phase of our present society that is not directly or indirectly affected by computers.

The bill was amended to include an amount of \$167,000 for the purposes of the program.

Your Committee on Education is in accord with the intent and purpose of H.B. No. 874, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 874, H.D. 1 and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 178-76 Education on H.B. No. 875

The purpose of this bill is to improve the quality of education in Hawaii.

Your Committee has converted this short-form bill to a long-form bill to provide for the transportation of special education students to and from school, and for educational field trips. At present, students are not assured of such transportation, despite the general requirement of transportation for students. The special circumstances revolving around the special education students requires, your Committee finds, the mandating of transportation of students so that no special education student is denied an education on the basis of lack of transportation.

This bill, as amended, also requires that a list of the names, addresses, and telephone numbers of special education students who are subject to specific health hazards be posted in the transporting vehicle, so that in the event of medical emergencies such as epileptic seizures, the transporter would have necessary information to adequately deal with the emergency.

Your Committee has further amended the bill to require that contracts for the provision of student transportation under section 296-45, Hawaii Revised Statutes, be based upon a uniform fee schedule based on mileage and the number of students transported. Your Committee feels this requirement would be beneficial in securing transportation services, and would ensure equitable contracting for all parties.

The appropriation clause was deleted.

Your Committee on Education is in accord with the intent and purpose of H.B. No. 875, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 875, H.D. 1.

Signed by all members of the Committee.

SCRep. 179-76 Judiciary on H.B. No. 2669-76 (Majority)

The purpose of this Act is to create voter and citizen education programs throughout the State of Hawaii.

The overall responsibility for this program rests with the chief election officer, with planning and surveying cooperation from the Lieutenant Governor's Election Advisory Committee, the Office of the Lieutenant Governor, and the Department of Education. Your Committee is in agreement that the education program proposed by this Act would foster increased interest and understanding of the legislative process and urges that the curriculum present voter education in an impartial and unbiased manner.

Your Committee recommends that the sum of \$50,000, or so much thereof as may be necessary, be appropriated out of the general revenues of the State of Hawaii. This sum is to be expended by the Office of the Lieutenant Governor.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 2669-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

Representatives Carroll, Fong and Sutton did not concur.

SCRep. 180-76 Judiciary on H.B. No. 2673-76 (Majority)

The purpose of this Act is to establish a prevention module program for probationers by having the probationer enter a supervised residential program immediately following the decision of the Court to place the offender on probation.

Your Committee is in agreement that this program would provide services to the residents which would enable them to return to society as rehabilitated individuals. This program assists the inmates by providing opportunities to develop good behavior habits through their own actions.

Your Committee recommends an amendment to this Act which establishes the program within the Department of Social Services Corrections Division and that the department shall contract with an appropriate community agency to operate the proposed program and have powers of appointment of qualified counselors for the prevention module. In addition, these counselors will be given rights and authority of probation officer with the Judiciary.

Your Committee also recommends an amendment to this Act that provides for the Judiciary to submit an evaluation report on the program to the Legislature twenty (20) days prior to the convening of the next regular session after the completion of the project. Your Committee recommends an amendment which appropriates the sum of \$67,000 out of the general revenues of the State of Hawaii to contract for the operation of this program.

Your Committee is in accord with the intent and purpose of H.B. No. 2673-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2673-76, H.D. 1 and be referred to the Committee on Finance.

Signed by all members of the Committee.

Representative Sutton did not concur.

SCRep. 181-76 Judiciary on H.B. No. 3099-76

The purpose of this Act is to create an intake service center advisory board to provide

centralized management of intake service centers.

At the present time the intake service center advisory board, created by Act 179, Session Laws of Hawaii, 1973, relating to the Implementation of the Hawaii Correctional Master Plan, has been meeting to establish procedures and policies and recommending candidates for the Oahu intake service center. Your Committee agrees that this Act would clarify the duties and responsibilities of the board in the area of priority decision making and provide greater flexibility in submitting recommended candidates to the Governor for vacant board positions. In addition, this Act provides that the director of the Oahu intake service center shall be the overall state executive director of all intake service centers.

Your Committee recommends an amendment to this Act which would allow the rearrangement of language proposed by the Act to allow for grammatical sense in Section 2, relating to Section 353-1.4, Hawaii Revised Statutes.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 3099-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3099-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 182-76 Judiciary on H.B. No. 3456-76

The purpose of this Act is to formulate an Ad Hoc State Coordinating Committee to organize and convene a State Women's Conference.

The creation of an Ad Hoc State Coordinating Committee would enable the organization of a State Women's Conference at which time the concerns and evaluations of the status of women on a local level may be set forth. In addition, the State Women's Conference will be held in conjunction with a National Women's Conference as outlined in Public Law 94-167, 94th Congress, H.R. 9924 (December 23, 1975).

Your Committee is in agreement that the State Women's Conference would serve as a focal point for comprehensive discussion on the role of women in economic, social, cultural and political development. Your Committee has amended this Act by broadening the composition of the Ad Hoc Coordinating Committee in terms of representation of diverse types of women's groups.

Your Committee has also amended this Act by appropriating the sum of \$25,000 out of the general revenues of the State of Hawaii, or so much thereof as may be necessary to fund the Ad Hoc Committee to hire any necessary staff and cover necessary operating expenses to convene the State Women's Conference in preparation for the National Women's Conference.

Furthermore, your Committee has amended this Act to appropriate the sum to the Department of Budget and Finance for the use of the State Commission on the Status of Women for the State Women's Conference in preparation for the National Women's Conference.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 3456-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3456-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 183-76 Judiciary on H.B. No. 2417-76

The purpose of this Act is to call for a special primary and a special general election where a vacancy occurs in any state or county elective office and there is more than one (1) year until the next general election.

Your Committee agrees that while the governor makes an appointment to fill a vacancy for an unexpired term which is one year or less from a general election under present law, this Act appropriately creates the mechanism to fill vacancies which would not be filled for more than one year until the next general election.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No.

2417-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 184-76 Health on H.B. No. 2282-76

The purpose of this bill is to provide an operational subsidy to Kahuku Hospital.

Your Committee has amended this bill by appropriating the sum of \$216,000 to enable Kahuku Hospital to continue to meet the health needs of the Koolauloa area.

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2282-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2282-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 185-76 Health on H.B. No. 2281-76

The purpose of this bill is to provide a grant-in-aid to Wahiawa General Hospital.

Wahiawa General Hospital is currently engaged in a construction program which will improve outpatient facilities in the central Oahu area. Due primarily to a substantial population growth in the central Oahu area, there has been a growth rate of approximately 10% in outpatient services. Your Committee has, therefore, amended this Bill by appropriating the sum of \$500,000 to Wahiawa General Hospital for the improvement of their outpatient facilities.

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2281-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2281-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 186-76 Health on H.B. No. 2070-76

The purpose of this Act is to alleviate some of the resulting stress of alleged rape victims by expediting emergency treatment for such persons. In addition, the bill provides for payment reimbursement for persons who are not able to pay for such treatment.

Testimony presented before your Committee showed that there is a need to improve the medico-legal services received by alleged rape victims at the time of the initial medical examination.

According to the Department of Health, all accredited hospitals are urged under the accreditation requirements to give preference to such persons whenever possible. Your Committee feels that this policy is supportive of providing the most expeditious and sensitive treatment of alleged rape victims. However, your Committee feels that a firmer guide for the examination, treatment, and evaluation of alleged rape victims is necessary to ensure that such persons do receive appropriate care and to support future legal proceedings which may be initiated as a result of the alleged rape.

Your Committee feels that a person undergoing stress for an alleged rape should not be denied examination and treatment based on the inability to pay for such services.

Therefore, your Committee has provided for the Department of Health to assume payment for the initial cost of examination, treatment, and evaluation. However, if a person carries health insurance and is eligible to receive reimbursement for services, the Department of Health would be responsible for that portion of the cost of services which is not covered by medical insurance. The Department of Health estimates that the cost for such services will be \$20,000.

Based on its findings, your Committee has amended the bill as follows:

- (1) Subsection (b) has been amended by adding a provision requiring

department of health to pay for only those services not covered by medical insurance.

- (2) The payment on the cost for services is limited to the initial cost of examination, evaluation, and treatment.
- (3) An appropriation of \$20,000 has been provided.

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2070-76, as amended herein and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2070-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 187-76 Health on H.B. No. 2075-76 (Majority)

The purpose of the bill is to maintain individual rights and personal privacy by establishing guidelines under which physicians may perform an operation to sterilize any adult person.

Testimony presented before your Committee revealed that in cases where an operation to sterilize a person is to be performed, written consent from a spouse is required. The purpose of requiring consent of both the patient and the spouse is to absolve the hospital and the doctor of any legal repercussions which may occur after the operation is performed.

However, an attorney general opinion dated July 31, 1975, stated that "(t)here is no legal (emphasis added) requirement to inform the spouse or secure his or her consent if the patient, at the time of giving consent, is of age and competent. The reason for disclosure is to aid the doctor in deciding whether to perform the sterilization... If the practice to disclose and secure the spouse's consent is limited to voluntary sterilization of married women, such a practice may be discriminatory."

In the opinion of those testifying, the requirement to have spousal consent is discriminatory since its applicability seems to be only to females and not to males.

The proposed bill would clearly establish requirements relating to spousal consent in sterilization operations by eliminating such consent. This would provide equitable treatment of both men and women and maintain an individual's right of self-determination in matters relating to his or her body.

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2075-76 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Evans.

Representative Amaral did not concur.

SCRep. 188-76 Health on H.B. No. 2488-76

The purpose of this bill is to appropriate \$300,000 of general funds to the Hilo Association for Retarded Citizens to plan and construct Sheltered Workshop Phase II in Hilo.

Your Committee finds that through Act 197/70 and 197/71 the Legislature appropriated funds for the plans and construction of Phase I to accommodate the Association's sheltered workshop known as Rainbow Crafts, which serves clients who cannot enter competitive, gainful employment because of handicapping conditions. Phase II would allow structural expansion of the complex that would house clients in the Developmental Disabilities program.

At the present time, the Association is located on the grounds of the former Hilo Memorial Hospital. The programs are housed in old wooden structures which have deteriorated with age and wet rot. These buildings are considered unsafe especially for the handicapped clients that are served.

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2488-76

and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 189-76 Health on H.B. No. 2777-76

The purpose of this bill is to provide a grant-in-aid to The House, Inc. for the purpose of providing a community based, residential, social rehabilitation program.

The House, Inc. is a private, non-profit corporation with appropriate facilities which currently provides an alternative to hospitalization of socially and emotionally disturbed persons by offering a community based, residential, social rehabilitation program.

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2777-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 190-76 Health on H.B. No. 2780-76

The purpose of this bill is to provide funds for psychiatric services in West Hawaii, County of Hawaii.

Your Committee on Health finds that night-time and weekend on-call psychiatric services are currently being provided in every mental health center on each island throughout the State except in the Kona area. This bill would allow the Department of Health to provide such services to the people of West Hawaii.

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2780-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 191-76 Health on H.B. No. 2861-76

The purpose of this bill is to ensure quality health services for the people of the South Kohala district by appropriating \$120,000 for ambulance services in the South Kohala district, County of Hawaii.

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2861-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 192-76 Agriculture and Water, Land Use, Development, and Hawaiian Homes on H.B. No. 2565-76

The purpose of this bill is to support economic development of agricultural commodities by appropriating \$30,000 for research to develop economically feasible methods of converting Hawaiian avocado into processed food products.

Your Committees find that in 1974 the State had 170 acres of avocado trees producing 1,135,000 pounds with a value of \$187,000. The 1970 Governor's Agricultural Coordinating Committee has projected a potential annual production of 70 million pounds from 10,000 acres by 1990.

Your Committees find that at the present time, the Hawaiian avocado industry exports only fresh fruit to other markets. If the industry is to expand in the future, a means to convert avocado into processed products must be developed.

Your Committees on Agriculture and Water, Land Use Development and Hawaiian Homes are in accord with the intent and purpose of H.B. No. 2565-76 and recommend it pass second reading and be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Inaba.

SCRep. 193-76 Agriculture and Water, Land Use, Development, and Hawaiian
Homes on H.B. No. 2563-76

The purpose of this bill is to reimburse those Panaewa Farm and Houselot Subdivision lessees who paid for off-site improvement and development costs, as such payments are inconsistent with other Panaewa lessees whose rental fees do not reflect such assessments.

During the course of its investigation, your Committees were informed that four lessees were assessed slightly over \$4,000 each for off-site improvements by the Department of Land and Natural Resources. Records show that the \$505 to \$825 per lot price range paid by most Panaewa Farm and Houselot Subdivision lessees did not include this \$4,000 off-site improvement charge. Testimony presented by the Departments of Agriculture and Land and Natural Resources reported that an appropriation of \$17,000 is necessary to reimburse these lessees for off-site improvement or developmental charges.

Your Committees have therefore amended section 3 of the bill to provide for the \$17,000 appropriation. Because only four lessees were assessed the off-site improvement charge, your Committees believe that this inequity should be remedied.

Your Committees on Agriculture and Water, Land Use, Development and Hawaiian Homes concur with the intent and purpose of H.B. No. 2563-76, as amended herein and recommend that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2563-76, H.D. 1.

Signed by all members of the Committees except Representative Inaba.

SCRep. 194-76 Agriculture and Higher Education on H.B. No. 2572-76

The purpose of this bill is to provide funds for the restoration of a previously funded second 4-H Youth Development Agent for Maui County.

Your Committees find that currently only one 4-H Youth Development Agent services Maui, which has a potential of 15,000 youngsters who could be involved in 4-H activities.

Your Committees further find that for many years, the island of Maui had two 4-H Youth Development positions, but that one position was vacated in 1971, subsequently frozen and then abolished. Testimony indicated that since 1971 the enrollment in 4-H programs on Maui has dropped from 700 to 441.

Your Committees have amended this bill to include an \$18,000 appropriation to restore a second 4-H Youth Development Agent position for Maui County.

Your Committees on Agriculture and Higher Education are in accord with the intent and purpose of H.B. No. 2572-76, as amended herein, and recommend that it pass second reading and be referred to the Committee on Finance in the form attached hereto as H.B. No. 2572-76, H.D. 1.

Signed by all members of the Committees except Representatives Inaba, Shito and Evans.

SCRep. 195-76 Agriculture and Higher Education on H.B. No. 2571-76

The purpose of this bill is to support the expansion of agriculture research capabilities in Maui County by providing funds for research facility expansion.

Your Committees were informed that there are five research station areas on Maui, the headquarters is the Kula station where three professional personnel, a horticulturist (floriculture specialist), an agronomist, and a plant pathologist, make up the permanent staff. However, the plant pathologist has been operating without a laboratory or office space. Accommodations for him were made by partitioning the library storage area and laboratory space was constructed by laying a concrete slab outside the back door and placing a fiberglass roof over the area.

In addition, your committees anticipate future facility expansion needs due to personnel increases.

Your committees further find that closer cooperation between HAES and CES is desirable.

Therefore, extension personnel presently housed in inadequate facilities near the Kula experiment station should be moved to the Kula station and facility expansion should include accommodations for CES personnel.

Your Committees on Agriculture and Higher Education have amended this bill to include a \$256,000 appropriation for the expansion of the experiment station facility at Kula, Maui.

Your Committees on Agriculture and Higher Education are in accord with the intent and purpose of H.B. No. 2571-76, as amended herein, and recommend that it pass Second Reading and be referred to the Committee on Finance in the form attached hereto as H.B. No. 2571-76, H.D. 1.

Signed by all members of the Committees except Representatives Inaba and Shito.

SCRep. 196-76 Agriculture and Higher Education on H.B. No. 2573-76

The purpose of this bill is to appropriate funds for the placement of a full-time vegetable research scientist at the Kula Branch Station of the College of Tropical Agriculture, University of Hawaii.

Your Committees find that Maui annually produces 2 1/2 million dollars worth of vegetables, which is expected to increase in the coming years. Although lettuce is the crop with the highest value, more than twenty other vegetable crops are grown including cabbage, onions, and tomatoes. A Kula Branch Station plant pathologist is developing an integrated control of vegetable diseases of lettuce, head cabbage, Chinese cabbage and tomatoes grown on Maui. In addition, the Hawaii Agricultural Experiment Station, in cooperation with the County Extension Service, carries out applied research and demonstration work on tomato speckling, cabbage blackleg disease, lettuce variety trials, cabbage variety trials, herbicide evaluation and the development of drip irrigation for vegetable crops. These projects are carried out with the assistance of vegetable researchers located at other stations, who travel to Maui for this purpose.

Your Committees further find that the importance of vegetable research on Maui, the findings of which are available for state-wide use, requires a full-time vegetable research scientist to be stationed at the Kula Branch Station.

Your Committees have amended this bill to provide for a \$43,500 appropriation for the purpose of placing a qualified vegetable research scientist on a full-time basis at the Kula Branch Agricultural Experiment Station.

Your Committees on Agriculture and Higher Education are in accord with the intent and purpose of H.B. No. 2573-76, as amended herein, and recommend that it pass second reading and be referred to the Committee on Finance in the form attached hereto as H.B. No. 2573-76, H.D. 1.

Signed by all members of the Committees except Representatives Inaba, Shito and Evans.

SCRep. 197-76 Agriculture on H.B. No. 3009-76 (Majority)

The purpose of this bill is to appropriate \$75,000 for the purchase of herbicides to control the Hamakua Pamakani plant.

Your Committee finds that the Hamakua Pamakani is an aggressive, fast spreading, recumbent shrub which quickly dominates all other vegetation in areas it has invaded. It has no forage value and is especially troublesome in pasture lands where it lowers the number of animals capable of being supported by crowding out desirable forage plants. According to the Department of Agriculture, chemical treatment of the Hamakua Pamakani infestations would complement biocontrol efforts and make pasture and range lands available for grazing once again.

The \$75,000 appropriation would allow the Department of Agriculture to purchase herbicides for a control program. The program would involve distributing herbicide to interested landowners who in turn will furnish labor, supplies, and equipment for applying the herbicide. Follow-up surveys, inspections, and supervision will be conducted to insure that the herbicides are being used as intended.

Your Committee on Agriculture is in accord with the intent and purpose of H.B. No. 3009-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

Representatives Clarke, Hakoda and Larsen did not concur.

SCRep. 198-76 Judiciary and Labor and Public Employment on H.B. No. 2633-76
(Majority)

The purpose of this Act is to amend the law concerning the judiciary branch to allow the administrative director to appoint a deputy administrative director of the courts with the approval of the chief justice. It provides that the salary of the deputy shall be ninety-five percent of the administrative director's salary. The Act further provides that in addition to the sheriff and the first deputy sheriff there shall be a second deputy sheriff. The Act provides that the salary of the second deputy sheriff shall be set by the chief justice but shall not be more than \$15,000 a year.

Your Committees on Judiciary and Labor and Public Employment are in accord with the intent and purpose of H.B. No. 2633-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committees.

Representative Cobb did not concur.

SCRep. 199-76 Public Assistance and Human Services and Labor and Public
Employment on H.B. No. 2907-76

The purpose of this bill is to authorize blind and visually handicapped persons licensed by the department of housing and social services to operate vending facilities and machines on state or county property for the vending of food, beverages, and other articles or services dispensed automatically or manually and prepared on or off the premises, including the vending of admission tickets to community functions and events. The bill provides that licensed blind persons shall be given priority, that no person shall advertise the sale of food and beverages in a public building where a vending stand or machine is operated or maintained by a duly authorized blind person, that after July 1, 1976 no state buildings shall be planned or constructed without plans for such a vending facility, that after July 1, 1976 all vending machines on state or county property which compete with a vending facility assigned to a blind person shall accrue to the latter operation, and that if there is no blind licensee in the building, within three months of the effective date of the Act or upon the expiration of contract arrangements, operation income from vending machines shall be deposited in a trust fund to be used for the vending facility program. The bill establishes a committee of blind licensed operators to advise Department of Social Services and Housing, and provides for arbitration of disputes arising from the operation or administration of the vending facility program, and enforcement of the Act.

Your Committees express concern about the legality of the bill taking effect upon its approval in relation to existing contract rights and due process of law. Your Committees are also hesitant to extend the application of this bill to all public buildings, including University of Hawaii, Aloha Stadium, etc., especially as regards current activities.

Your Committees on Public Assistance and Human Services and Labor and Public Employment are in accord with the intent and purpose of H.B. No. 2907-76 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Evans.

SCRep. 200-76 Public Assistance and Human Services and Labor and Public
Employment on H.B. No. 2908-76

The purpose of this bill is to provide that a blind or visually handicapped person licensed by the Department of Social Services and Housing to operate vending facilities shall not be deemed an employee of the State, but that such persons shall come under and be entitled to all benefits of the vending facilities program as authorized by the

federal Randolph-Sheppard Act and Section 102-13, Hawaii Revised Statutes, and that if such persons would be considered employees of the State under Title II of the Randolph-Sheppard Act, this bill shall not prevent them from being so considered.

Your Committees on Public Assistance and Human Services and Labor and Public Employment are in accord with the intent and purpose of H.B. No. 2908-76 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 201-76 Labor and Public Employment on H.B. No. 2859-76

The purpose of this bill is to amend the General Appropriation Act of 1975 so that the Office of the Legislative Reference Bureau shall conduct a comprehensive review of major employee benefit programs administered by the State.

A similar provision was included in the General Appropriation Act of 1975, but due to program restrictions, the funds were not released.

The Department of Labor and Industrial Relations administers four such programs, including workers' compensation, temporary disability insurance, prepaid health care, and unemployment insurance. The rationale for this review is to determine whether or not these programs are being effectively carried out for the benefit of all employees and employers subject to these laws, and that the administration therefor is maximizing its efficiency and productivity.

Your Committee has amended the appropriation amount to \$75,000 and made certain style and grammatical changes.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2859-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2859-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 202-76 Labor and Public Employment on H.B. No. 2722-76

The purpose of this bill is to increase the compensation of substitute referees employed by the Department of Labor and Industrial Relations from \$40 a day to a rate corresponding to Step G of the SR-26 salary range.

Your Committee learned that the department is regularly staffed with one full-time referee at a salary range of SR-26 and one Senior Referee whose salary range has yet to be established. Because of an increase in workload and the requirement to meet federal standards, substitute referees have been appointed so that there are presently six substitute referees.

Since the duties of the full-time and substitute referees are identical this salary adjustment would support the concept of equal pay for equal work and maintain the attractiveness of the position to qualified individuals.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2722-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 203-76 Labor and Public Employment and H.B. No. 2913-76

The purpose of this bill is to assist high school dropouts in obtaining employment by providing that the department of labor and industrial relations shall conduct interviews of high school dropouts for the purpose of assisting them into training programs and in obtaining employment.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2913-76 and recommends that it pass Second Reading and be

referred to the Committee on Education.

Signed by all members of the Committee.

SCRep. 204-76 Labor and Public Employment on H.B. No. 2858-76

The purpose of this bill is to amend the General Appropriation Act of 1975 so that the Legislature can establish a Committee to Reduce Unemployment to propose methods and programs by which Hawaii's unemployment rate may be reduced.

A similar provision was included in the General Appropriation Act of 1975, but due to program restrictions, the funds were not released.

The Committee to Reduce Unemployment shall consist of fifteen (15) members, to be jointly appointed by the Speaker of the House and the President of the Senate and to be selected from the state and county governments, business, labor, and the general public.

Further, the Committee would convene a statewide conference on unemployment opportunities: the conferees from the same representative groups as the Committee. The conference group would advise and make recommendations to the Committee on the development of means to alleviate problems caused by unemployment.

The Committee would also receive assistance from the Legislative Reference Bureau, which shall prepare a preliminary draft or proposal of the study required for the Committee.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2858-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 205-76 Labor and Public Employment on H.B. No. 2998-76

The purpose of this bill is to allow the Comptroller administrative flexibility in the conduct of the Parking Control Program by amending Section 107-11, Hawaii Revised Statutes.

Presently the language of Section 107-11 obligates the Comptroller to issue and collect fees for all state lands under his jurisdiction and the assessment of a uniform fee for all facilities. This does not take into account that the designation of parking lots should be influenced by the needs of governmental operations, its proximity to governmental centers and not merely because the lot is under the Comptroller's jurisdiction. Because of this, your Committee feels that the designation of land under the jurisdiction of Comptroller as parking facilities and setting of fees for parking should be a discretionary one.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2998-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 206-76 Labor and Public Employment on H.B. No. 2000-76

The purpose of this bill is to establish a program of repair and maintenance of public facilities and stimulate job opportunities for trades affected by unemployment.

Data for 1975 indicate that employment in contract construction trades was down almost 12 per cent from the preceding year. This reflects the trend in recent years of a slowdown in construction activity, a trend expected to continue in the near future.

The kinds of jobs that would be generated by the repair and maintenance program proposed by this bill are similar to the jobs that have been reduced in the construction industry and various construction-related occupations. This is a positive solution to the unemployment problem among Hawaii's most acutely hurt occupations, as well

as to provide protection and improvement of public facilities.

The Committee has amended the appropriation figures of the eleven (11) repair and maintenance projects from \$1.00 each to \$1,000,000.00 each.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2000-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2000-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 207-76 Labor and Public Employment on H.B. No. 3106-76

The purpose of this bill is to exempt the position of Manpower Planning Administrator from the civil service. The Comprehensive Employment and Training Act (CETA) of 1973 necessitated the creation of an Office of Manpower Planning to administer CETA programs, and it was the Governor's decision to assign this office to the Department of Labor and Industrial Relations for administrative purposes. The functions of the office include:

- (1) Administration of manpower programs;
- (2) Providing staff services to the State Manpower Services Council, Manpower Planning Councils on neighbor islands, and to the Hawaii State/County Consortium Board; and
- (3) Providing manpower services as mandated under CETA and SCET.

Exemption of this position from the civil service could provide the flexibility needed to establish a compensation rate for this position which would be equitable with other positions of comparable responsibility and stature in the service of the state government.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 3106-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 208-76 Labor and Public Employment on H.B. No. 3021-76

The purpose of this Act is to convert all employees of the Stadium Authority to civil service status, except for those hired under section 109-3, Hawaii Revised Statutes, and the manager and deputy manager.

Your Committee finds that at the initial establishment of the Stadium Authority, there did not exist a need for full-time personnel, and therefore, no civil service positions were required. However the full operations of the stadium currently requires a staff of full-time employees, who should enjoy the benefits of serving a public function as employees of the State.

Your Committee has amended the bill by limiting the conversion of positions to civil services positions to full-time positions only.

The bill has been further amended by changing the effective date of the bill to January 1, 1977.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 3021-76 as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3021-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 209-76 Labor and Public Employment on H.B. No. 2162-76

The purpose of this bill is to convert certain exempt positions in the Department

of Defense which are non-military in character status.

In 1974 a legislative audit of the Department of Defense's personnel policies and practices identified certain exempt positions that would be more appropriately classified and included under civil service.

The Department of Defense has identified seven exempt positions that would be more appropriately classified under civil service, as follows:

1. Administrative services officer
2. Fiscal officer
3. Public Affairs officer
4. Building and Grounds maintenance superintendent
5. Assistant building and grounds maintenance superintendent
6. Public information technician
7. Purchasing agent

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2162-76 and recommends that it pass second reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 210-76 Labor and Public Employment on H.B. No. 3146-76 (Majority)

The purpose of this bill is to facilitate expenditures of public money for the repair and maintenance of public buildings by exempting such expenditures from the requirements of advertisement for sealed tenders where the sum expended is not more than \$50,000.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 3146-76 and recommends that it pass second reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

Representative Sutton did not concur.

SCRep. 211-76 Labor and Public Employment on H.B. No. 2386-76

The purpose of this bill is twofold: first, to provide persons employed under the State Program for the Unemployed, benefits generally available to regular public employees and second, to extend the State Program for the Unemployed till June 30, 1977.

Under present law, persons hired under the State Program for the Unemployed receive no benefits such as sick leave and vacation leave which are generally accorded to the regular public employees of the State. This bill would extend such benefits to these employees.

Your Committee agrees that persons hired under this program should be treated no differently from other public employees and fringe benefits should be granted to these employees.

Under the present law, the State Program for the Unemployed and the appropriations for this program would lapse on June 30, 1976. Your Committee finds that unemployment still remains one of the foremost problems confronting the State today and that there is a need to continue providing jobs for our unemployed. The provisions of this bill would allow this by extending the State Program for the Unemployed until June 30, 1977.

In implementing this program the highest priority for job placement is accorded to unemployed heads of household, who have been unemployed for more than 15 weeks or have exhausted their unemployment benefits. Your Committee has amended the bill

to include in this high priority group underemployed groups such as those who are disadvantaged and cannot successfully compete in the labor market. The group shall be defined and classifications therein shall be made by rules adopted by the director under chapter 91.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2386-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2386-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 212-76 Labor and Public Employment on H.B. No. 1247

The purpose of this bill is to reinstate November 11 as the day to observe Veterans' Day. Present law prescribes the fourth Monday in October as the day to observe Veterans' Day.

Presently 47 states are officially observing Veterans' Day on November 11. Your Committee believes that one of the best ways of preserving the significance of this event is to observe its anniversary on the real date of the anniversary. The purpose clause in the bill is expanded to reflect this. Your Committee has added a Ramseyer section 3 and renumbered section 3 as section 4.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 1247, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1247, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 213-76 Labor and Public Employment on H.B. No. 2119-76

The purpose of this bill is to provide all civil service benefits to Oahu Metropolitan Planning Organization Staff.

Your Committee learned that the staff of the Oahu Metropolitan Planning Organization does not qualify for any benefit programs. The thought behind the passage of Act 180, SLH 1975, was to have an OMPO staff whose accountability was to the OMPO Policy Committee rather than to the State and/or County executive branches.

This bill retains the independent status of the OMPO staff employees but in the interest of fair and equitable treatment, and to make recruitment more competitive for future staff, your Committee feels that the present two-person staff should receive civil service benefits.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of the H.B. No. 2119-76 and recommends that it pass Second Reading and be referred to the Committee on Energy and Transportation.

Signed by all members of the Committee.

SCRep. 214-76 Judiciary on H.C.R. No. 52

The purpose of this Concurrent Resolution is to request the members of Hawaii's congressional delegation to defeat the provisions of the Department of Defense Legislative Addendum to the fiscal year 1976-1977 budget, now before the Armed Services Committees and Appropriations Defense Subcommittees in the U.S. Congress which would substantially reduce the level of training required for the Army and Air National Guard and eliminate the benefit of military leave for full-time Civil Service employees who serve in the National Guard. In addition, the members of the congressional delegation are requested to seek and work on legislation which would be conducive to the continuation of a strong and viable reserve of the U.S. Armed Forces.

Your Committee finds that the reserve members of the Hawaii Army and Air National Guard provide valuable active state service in support of civil authorities of the state and each of the counties during national disasters and civil disturbances. The passage

of the proposed provisions of the aforementioned Department of Defense Legislative Addendum would substantially reduce Army and Air National Guard Reserve Personnel and hamper the ability of the reserve component of the military to recruit and retain skilled personnel.

Your Committee on Judiciary concurs with the intent and purpose of H.C.R. No. 52 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 215-76 Judiciary on H.R. No. 317

The purpose of this Resolution is to request the members of Hawaii's congressional delegation to defeat the provisions of the Department of Defense Legislative Addendum to the fiscal year 1976-1977 budget, now before the Armed Services Committees and Appropriations Defense Subcommittees in the U.S. Congress which would substantially reduce the level of training required for the Army and Air National Guard and eliminate the benefit of military leave for full-time Civil Service employees who serve in the National Guard. In addition, the members of the congressional delegation are requested to seek and work on legislation which would be conducive to the continuation of a strong and viable reserve of the U.S. Armed Forces.

Your Committee finds that the reserve members of the Hawaii Army and Air National Guard provide valuable active state service in support of civil authorities of the state and each of the counties during national disasters and civil disturbances. The passage of the proposed provisions of the aforementioned Department of Defense Legislative Addendum would substantially reduce Army and Air National Guard Reserve Personnel and hamper the ability of the reserve component of the military to recruit and retain skilled personnel.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 317 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 216-76 Youth and Elderly Affairs and Health on H.R. No. 15

The purpose of this resolution is to request the Hawaii State Commission on Aging or, if established, the Executive Office on Aging, in cooperation with the Department of Health and the Department of Social Services and Housing, to compile and review the state's existing home health care programs and services including day care services for the elderly. The resolution further requests that the Commission on Aging, the Department of Health and the Department of Social Services and Housing make recommendations on the improvement and future development of such programs and services and submit a report on their findings at least twenty days prior to the convening of the Regular Session of 1977.

Testimony in support of this measure was presented by the State Commission on Aging, the Department of Health and the Department of Social Services and Housing.

In expressing its willingness to cooperate in such an endeavor, the Department of Health cited an analysis paper on Home Health Services in Hawaii prepared by the Public Health Nursing Branch in May, 1975, which indicated that the current level of services now being provided was not reaching all of those persons medically determined to be in need of such services. This study showed a total absence of home care services on Kauai, Molokai and Lanai.

The Department went on to note that since the enactment of Act 198 in 1972 establishing a day care program for elderly and disabled adults, seven centers have become operational: four on Oahu and one each on Kauai, Maui and Hawaii. The Department's evaluation indicates that this is a viable alternative to institutional care, and that such centers provide a protective and supportive environment for those elderly citizens who are unable to participate in senior center or other recreational group programs due to debilitating health conditions.

Your Committees have expanded the scope of the requested study to specifically include: 1) a review of the Department of Social Services and Housing's in-home services program and 2) the development of the elderly day care program. This was done in order to

ensure a comprehensive survey of the extent of need, development and accessibility of the entire range of services necessary to allow the elderly to continue to live at home.

Your Committees have amended the first "be it resolved clause" to more clearly reflect your Committees' request for a broad and inclusive survey of programs rather than the actual initiation of these programs.

The second "be it resolved" clause has been amended to request the cooperation of the Department of Health and the Department of Social Services and Housing in the preparation of the report of findings and recommendations.

Your Committees on Youth and Elderly Affairs and Health are in accord with the intent and purpose of H.R. No. 15, as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 15, H.D. 1.

Signed by all members of the Committees except Representatives Kiyabu, Shito and Evans.

SCRep. 217-76 Judiciary on H.B. No. 2439-76

The purpose of this Act is to increase the number of law clerks for the chief justice, and each justice of the Supreme Court.

Your Committees find that increasing the workload, and the increasing complexity of the law requires the addition of law clerks to adequately meet the demands of the matters before the Supreme Court.

Your Committees on Judiciary and Labor and Public Employment are in accord with the intent and purpose of H.B. No. 2439-76 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 218-76 Labor and Public Employment on H.B. No. 3457-76

The purpose of this bill is to appropriate or authorize, as the case may be, moneys to fund all collective bargaining cost items in the contracts negotiated with the bargaining representatives of the thirteen (13) bargaining units, and the salary increases and other adjustments for the excluded employees.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of the H.B. No. 3457-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 219-76 Labor and Public Employment on H.B. No. 2960-76

The purpose of this bill is to remove the limitation of the SR-25-B rate for computing overtime compensation. This bill would provide that public employees would be paid for overtime work on the basis of one and one-half hours for each hour of overtime worked at their actual pay rate. This bill would mainly affect employees who are excluded from collective bargaining.

Present law provides that an employee whose pay rate is higher than the pay rate for SR-25-B shall be paid for overtime work on the basis of the SR-25-B pay rate. In actual practice, however, the law applies only to employees excluded from the collective bargaining units. Employees in a collective bargaining unit get paid for overtime work at their actual rate of pay up to and including salary range 28.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2960-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 220-76 Labor and Public Employment on H.B. No. 2199-76

The purpose of this bill is to provide for restoration of previously accumulated sick leave credits to a former state or county employee who returns to public employment.

It was noted in testimony on the bill that retirees could conceivably obtain additional benefits, in terms of sick leave accruing to service credit for retirement, and then again being counted in the case of re-employment. The bill was amended to prevent this.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2199-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2199-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 221-76 Labor and Public Employment on H.B. No. 3070-76

The purpose of this Act is to add a new provision to the Hawaii Revised Statutes to provide special pay for certain dangerous police duty. The Act provides that pay differentials shall be granted to policemen while serving on a bomb squad, helicopter observer, or in the canine corps as it assists the bomb detail. It provides, that the pay differential shall not be subject to existing limitations concerning hazardous pay and shall be subject to negotiation between the department and the representative of the police union.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 3070-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 222-76 Labor and Public Employment on H.B. No. 3102-76

The purpose of this Act is to increase the monthly contribution made to the health fund by all state and county agencies from \$2.57 to \$3.26 for each child who has not attained the age of nineteen of all employee-beneficiaries who are enrolled for dental benefits. The Act provides \$243,400 for fiscal year 1976-77 for the purposes of the Act.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 3102-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 223-76 Labor and Public Employment on H.B. No. 3069-76

The purpose of this Act is to provide for additional benefits to beneficiaries of active policemen who die while off duty. The additional benefits are established at an amount equivalent to the State's contribution under any retirement option described in section 88-83, Hawaii Revised Statutes.

Your Committee has amended the Act by providing that such additional benefits be provided to beneficiaries of active policemen who die while on duty as well.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 3069-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3069-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 224-76 Labor and Public Employment on H.B. No. 3068-76

The purpose of this bill is to provide an increase of 8% to the regular bonus and to

the special cost-of-living bonus for those who retired prior to July 1, 1965 only.

Cost to the State to provide this increase to the bonus would be \$404,500 for the year 1976-77; cost to the counties would be \$89,250.

The pensioners bonus is a benefit to offset the rising cost of living and consist of two types: a regular bonus and a cost-of-living bonus.

The regular bonus is payable basically to those who have ten or more years of service, who retired prior to 1965 and who are not eligible for Social Security benefits. This bonus has been increased through the years each time active employees receive salary increases.

The special cost-of-living bonus was first paid in 1965 to those who retired prior to July 1, 1965 when the present liberal 2% benefit retirement formula was adopted. This bonus has been increased through the years each time active employees receive salary increases.

Your Committee has amended this bill to correct the effective date of the increase to the regular bonus in Section 1 and should be corrected to July 1, 1976 from July 1, 1973 under sub-paragraphs (1) to (4); otherwise, the increases will be retroactive to 1973.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 3068-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3068-76, H.D. 1 and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 225-76 Labor and Public Employment on H.B. No. 2783-76

The purpose of this bill is to establish a provision in any public contract for the retention of a portion of the amount due under the contract to the contractor to insure the proper performance of the contract. The sum withheld by the contracting body from the contractor would not exceed five per cent of the amount due the contractor. This bill would also provide a contractor the option of withdrawing retained sums of money upon depositing certain negotiable securities in lieu of the retained sums.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2783-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 226-76 Labor and Public Employment on H.B. No. 3252-76

The purpose of this Act is to provide investigating officers serving in a law enforcement agency with the same retirement benefits authorized for policemen and firemen.

Your Committee finds that the hazards encountered by field investigation personnel are equivalent to that encountered by policemen and firemen, and therefore, should receive the same benefits.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 3252-76 as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3252-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 227-76 Labor and Public Employment on H.B. No. 2713-76

The purpose of this Act is to provide for adjustment of compensation, hours, terms, and conditions of employment and other benefits of public officers and employees excluded from collective bargaining, by the chief executives of the State or counties, the board of education or the board of regents. The bill provides that no compensation adjustments

shall be made for officers or employees whose compensation is established by statute, charter, or ordinance.

It is the intent of the Committee that department heads and others in such managerial positions, including those covered by statutory provisions authorizing the governor to establish the salary, shall be excluded from the compensation benefits provided by this Act. Provisions are also made for uniform implementation of adjustments, such adjustments to be equal to the amount he would have received had he not been excluded. It is the intent of the Committee that these adjustments be neither more nor less than that provided employees within the bargaining unit.

Your Committee amended the bill by changing "may" to "shall" in line 10 of page 1, thereby making mandatory the adjustment of compensation, hours, terms, and conditions of employment of public officers and employees excluded from collective bargaining, by the chief executives of the State or counties, the board of education or the board of regents.

Your Committee amended the bill at line 10 of page 2 by requiring that adjustments be equal to what the employee would have received had he not been excluded from his collective bargaining unit.

Your Committee further recommends that the board of regents of the University of Hawaii have some discretion in dealing with compensation adjustments for employees excluded from collective bargaining units 7 and 8.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2713-76 as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2713-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 228-76 Labor and Public Employment on H.B. No. 3133-76

The purpose of this bill is to enable the director of planning and economic development to hire professional and scientific personnel on a permanent and temporary basis for research and development industry promotion purposes without regard to chapters 76 and 77 of the Hawaii Revised Statutes, relating to civil service.

Your Committee has amended the bill to provide that the director may hire research and development industry promotion program scientific personnel on a temporary and permanent basis without regard to civil service, excluding professional personnel from the bill.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 3133-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3133-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 229-76 Labor and Public Employment on H.B. No. 2343-76

The purpose of this bill is to authorize the establishment of rules and regulations to cover those cases when an earlier or later effective date of reallocation would more appropriately reflect the actual change in work assignment.

Presently, the statute provides that reallocations be made effective retroactively to the beginning of the pay period immediately following the date the request for reallocation was filed with the Director of Personnel Services. The specificity of the language does not permit the use of more appropriate effective dates as circumstances warrant.

For example, a department submitted a reallocation request on January 15, 1976 covering certain positions. Assuming that the Department of Personnel Services reallocated these positions, the effective date of the action under present statutory provision would be January 16, 1976. However, in the process of responding to the request it was discovered that the originating department overlooked other similar positions that should have been included in the original request. Hence, following the present statutory language

would result in the overlooked positions being reallocated at a later effective date. Under the bill such positions would be treated in the same manner as those positions covered under the original request.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2343-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 230-76 Labor and Public Employment on H.B. No. 2976-76 (Majority)

The purpose of this bill is to revise section 326-23, Hawaii Revised Statutes, to bring pensions for retired patient employees in the leprosy program more in line with practices followed by the Employees Retirement System. The bill provides that a patient employee will be entitled, upon retirement after 10 or more years of service, to a pension payable monthly, in an amount which shall be equal to 3-1/3 per cent of the average wages received during the last 12 months of employment, multiplied by the total number of years of credited service. The bill amends section 88-17, Hawaii Revised Statutes, to provide that no bonus under that section shall be payable to any person retiring after June 30, 1971, except for bonus payments for patient employees under chapter 326, Hawaii Revised Statutes. The bill provides for bonus payments to augment the basic pension, and for a special 2-1/2 per cent post retirement allowance which is to be added annually to the pension beginning July 1, 1977 and thereafter on every July 1.

Your Committee adopted the recommendation of the department of health by amending section 1 of the bill by changing "two month period" to "work months so combined" at line 14 on page 2, for the reason that there may be circumstances when hours worked over more than a 2 month period may be combined to total 80 hours for a month of service.

Your Committee adopted the recommendation of the department of health by adding the following language to section 2 at line 7 on page 3:

"(1) As authorized under section 88-11 for patient employees retiring after June 30, 1971 and prior to July 1, 1976.

(2) As authorized under chapter 326 for those patient employees retiring after June 30, 1976."

The purpose of this amendment is to avoid inequity to persons who retired after June 30, 1971 but who in varying degrees have received bonus payments by mistake under section 88-11, Hawaii Revised Statutes.

Your Committee amended section 3 at the request of the department of health by inserting, after line 14 on page 3, the following phrase:

"not heretofore authorized a bonus under section 88-11,"

The purpose of the amendment was to further clarify the relationship between this bonus and bonuses provided under section 88-11.

Your Committee further amended section 3 at the department's request by inserting the word "total" on line 14 of page 4, to emphasize that this refers to base pension plus bonus or bonuses.

Your Committee amended section 4 on the department's recommendation by inserting on line 4 of page 5 the phrase "who retired after June 30, 1976 and are" for the purpose of preserving the rights of persons who had already qualified for payments under section 88-11, Hawaii Revised Statutes, prior to July 1, 1976.

Your Committee, on the department of health's recommendation, by amending section 5 to designate, as the expending agency, the department of health rather than the department of budget and finance, as pensions granted under section 326-23, Hawaii Revised Statutes, are administered by the department of health.

Your Committee amended the effective date of this Act from "upon approval" to "July 1, 1976" to facilitate administration by request of the department of health.

Your Committee on Labor and Public Employment is in accord with the intent and

purpose of H.B. No. 2976-76 and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2976-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

Representative Sutton did not concur.

SCRep. 231-76 Labor and Public Employment on H.B. No. 3163-76

The purpose of this Act is to amend the Hawaii Revised Statutes to clarify the state policy on public employment practices, particularly as it regards employees hired on a contract basis for pilot projects.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 3163-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 232-76 Labor and Public Employment on H.B. No. 2635-76

The purpose of this bill is to allow employees of the former Puunene Hospital on Maui and the former Waimea Hospital on Kauai to purchase their previous service with these institutions for purposes of retirement under the State retirement system.

Presently there are 23 former employees of the Puunene Hospital who are affected and who have an average of about 6 1/4 years of former service which is purchaseable. About ten employees of the Waimea Hospital, with an average purchaseable service of eight years, are involved.

Your Committee has corrected a typographical error in this bill. On line 12 on page 3, delete the word "Dispensary" and substitute therefor the word: "Hospital".

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2635-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2635-76, H.D. 1 and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 233-76 Labor and Public Employment on H.B. No. 2728-76

The purpose of this bill is to provide police benefits for service-connected total disability retirement equivalent to that provided to firemen and sewer workers.

Your Committee has amended this bill by making parallel amendments in relation to service-connected occupational disability retirement and accidental death benefits.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2728-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2728-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 234-76 Labor and Public Employment on H.B. No. 2632-76

The purposes of this bill are: to change the excluded employee status of staff of the City and County of Honolulu and Counties of Hawaii, Maui, and Kauai in collective bargaining for public employees; and to restate the exclusion of employees of the Legislative Auditor and employees of the Legislative Reference Bureau from Collective bargaining.

Your Committee learned during the hearing that this bill is directed toward the Clerk's Office of the City and County of Honolulu and Counties of Hawaii, Maui, and Kauai, whose employees are presently classified as excluded employees.

Your Committee recommends an amendment to the bill which shall include employees of the Clerks' Offices of City and County and Counties in any appropriate bargaining unit or entitled to coverage under Section 89-6.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2632-76, as amended herein, and recommends that it be referred to the Committee on Legislative Management in the form attached hereto as H.B. No. 2632-76, H.D. 1.

Signed by all members of the Committee.

SCRep. 235-76 Culture and the Arts on H.B. No. 2790-76

The purpose of this bill is to appropriate out of the general revenues of the State of Hawaii supplemental appropriations for six groups in the realm of culture and the arts.

The State Foundation on Culture and the Arts has been using a Comprehensive Employment Training Act position during fiscal year 1975-1976 to fill its need for an Account Clerk III. This position has proved to be invaluable, but its continuation is highly questionable as Comprehensive Employment Training Act funds are scheduled to lapse on June 30, 1976 with no guarantee of renewal. Therefore, your Committee would recommend this position of account clerk be continued as a State position as to eliminate reliance on a funding situation, the future of which is highly in doubt.

The Honolulu Symphony in its objective to reach as many people in the State as possible, is requesting supplemental funds to augment its current program. With an additional \$62,500, the Honolulu Symphony could expand its high school visitation series, and reach all of the neighbor islands with two concerts each.

Similarly, the Lyceum program of the University of Hawaii is requesting a supplemental appropriation of \$12,500 to fund programs to the outlying areas of the neighbor islands. In the past three years, art councils have been organized in Waimea, Lanai, Molokai, Ka'u, and Lahaina, even though past service has been sporadic. Clearly, interest in the arts is present, and the Lyceum program is a worthwhile means of helping meet that interest. This supplemental request of \$12,500 would translate roughly to twelve additional activities spread out over the neighbor islands.

A request of \$15,000 by the Honolulu Community Theater would be used to expand its classes and workshops for the youth, and expand its productions aimed at the young people of Hawaii. More specifically, with this supplemental request, the Honolulu Community Theater would be able to hire a production manager who would greatly help in intensifying these educational services and goals.

An additional \$7,250 to the Philippine Heritage Program is requested for programs to supplement current activities. These monies are projected for pilot programs to explore the newer, more modern art forms which also have their roots in the Philippine tradition. Hopefully, these newer programs will act in conjunction with those more traditionally oriented to give the community at large a more complete picture of the wide ranging Filipino cultural heritage. As the Filipino population has been undergoing a change of late, this is a desirable goal.

The King Kamehameha Celebration Commission funded under the title of Ethnic Group Presentations, is asking for additional funding to better enhance its neighbor island programs. an additional \$5,000, although not a large amount, would help supplement almost desperately underfunded programs in outlying neighbor island areas.

Your Committee on Culture and the Arts is in accord with the intent and purpose of H.B. No. 2790-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Inaba and Shito,

SCRep. 236-76 Health on H.B. No. 2111-76 (Majority)

The purpose of this bill is to define death and the time when death occurs.

Under the present law there is no statutory definition of death for legal purposes. Therefore, Hawaii must rely on common law. The common law definition proves unworkable in light of the advancements of modern medicine which has seen significant changes in recent years.

Many physicians and other members of the community have increasing concerns regarding medical as well as social and economic justification for using extra ordinary means to maintain vegetative functioning of a person. The modern approach calls for a comprehensive definition of death which embraces the cardiorespiratory system and the central nervous system. The human brain provides the tissue substrate for intelligence, memory, behavior, emotion and personality. When this complex cellular system fails, what is characteristically "human" is also being lost from the body.

H.B. No. 2111-76, as amended herein, provides a needed definition of death consistent with modern medicine. It uses two alternative tests to define death: (1) cardiorespiratory death; or (2) brain death. This bill will provide the medical community and the entire state with more meaningful approaches to cases, such as the Quinlan case in New Jersey and the Cameron case in Hilo.

The bill also provides: (a) that a physician making a determination of death shall be immune from civil or criminal liability unless it is alleged and proved that his actions violated the standards of professional care and judgment; and (b) for an amendment to Section 327-7, Hawaii Revised Statutes, to include that a physician who treats a donor making an anatomical gift may determine the time of death of the donor and that any physician who confirms as well as determines the death shall not participate in the procedures for removing or transplanting a part.

Upon review of H.B. No. 2111-76, your Committee has amended the definition of death therein as follows:

"Sec. - Definition of death. A person is dead if, in the opinion of the attending or treating physician, or if none, the physician who certifies death, based on ordinary standards of the then current medical practice:

- (1) There is an absence of respiratory, circulatory and cardiac function and attempts at resuscitation would not restore functioning. In this event, death occurs at the time these functions cease; or
- (2) There is an absence of brain function, which opinion of an absence of brain function is confirmed by neurologist or neurosurgeon, and because of passage of time since the brain function ceased, but no sooner than twenty-four hours after the brain function ceased, attempts at resuscitation would not restore brain function. In this event, death occurs at the time brain function ceases.

Death shall be pronounced under this section before artificial means of supporting respiratory, circulatory, cardiac and brain functions are terminated and before any vital organ is removed for purposes of transplantation."

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2111-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2111-76, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Evans.

Representatives Amaral, Clarke and Santos did not concur.

SCRep. 237-76 Higher Education on H.B. No. 2589-76

The purpose of this bill is to make an appropriation for several University of Hawaii programs and concerns.

Your Committee held a hearing on H.B. No. 2589-76 and finds as follows:

RATE INCREASE IN POSTAGE

According to Mr. Keith Snyder, UH-Manoa Vice Chancellor for Administration, air first class postage rates were increased by 30 percent and third and fourth class mail

were increased by 42 percent as of December, 1975 by the U.S. Postal Service. In view of these increases, your Committee agrees that \$72,092 is needed in order to maintain current levels of usage postal services for the University for FY 1976-77.

CONVERSION OF CETA SECURITY PATROLMEN TO STATE SUPPORT

Your Committee is cognizant that protective security at the University of Hawaii-Manoa has been a longstanding legislative concern. In previous years, students, faculty and administrative personnel have provided legislative committees with testimony on the need to provide quality services for the Manoa campus.

The University has determined that in order to provide minimum coverage for 22,000 students, 4,200 employees and 310 buildings and structures on a year round basis, it is necessary to maintain the existing 15 men security force. Five members of the force were hired with CETA funds which will expire on June 30, 1976.

Thus, your Committee agrees to the \$56,900 appropriation for the conversion of 5 CETA positions to civil service. Your Committee is satisfied that sufficient attempts have been made by the University to explore alternative means of ensuring campus security, and that the loss of CETA funds for the 5 positions will severely hamper the University's ability to provide the minimum in campus protection for its students, many of whom must use facilities during night hours.

In reviewing this pressing need, your Committee explored the possibility of contractual security services. The University reports that in previous years, attempts have been made to utilize such services as a supplement to its own security force. However, it was found that differences in pay, fringe benefits and working conditions contributed to morale problems. It was also found that many of the protective agencies do not provide security training equal to that of University personnel.

SCHOOL OF MEDICINE MALPRACTICE INSURANCE AND SPACE COSTS

According to the UH School of Medicine, unanticipated increases in malpractice insurance and hospital space costs necessitates an additional \$451,733 appropriation.

Malpractice insurance coverage is extended to: every physician-faculty member, who is 50 percent University employed and whose work involves patients and medical students; every non-physician staff and faculty member of the school; and every non-physician volunteer worker within the scope of the medical school program.

For 1975-76, the school anticipates an increase in the premium costs of its malpractice insurance coverage. It also reports that new facilities at the community hospitals will be completed soon and that contractual maintenance cost for this extra space will amount to \$251,438 more than is currently available for 1976-77.

Your Committee agrees that to offset increases in malpractice insurance rates and in hospital space cost, an additional \$451,733 is needed. However, your Committee's decision to recommend an appropriation for malpractice insurance should not be viewed as an approval of the current trends in malpractice insurance. Rather, your Committee hopes that other legislative committees will review this problem and take necessary action.

HAWAIIAN STUDENTS RESEARCH PROJECT (HSRP)

The Legislature in 1975 appropriated funds for a study of the Hawaiian Students Research Project. The four stated objectives of HSRP outlined in the study are:

- "1. To increase the numbers and percentages of Hawaiians enrolling in the University system, particularly the 4-year campuses, to improve their retention rates and to help them to raise their achievement levels;
2. To increase the Hawaiian-ness of our University and to enhance the effectiveness of our total public education system by a conscious effort to learn and practice the Hawaiian culture as a viable element in our daily lives, beyond the giving of leis or attending luaus. In this the Project joins the effort to preserve the Hawaiian culture which has undergone a persistent dilution since 1778;
3. To provide a research facility to investigate problems and obstacles which

seem to prevent Hawaiian and other minority culture students from using public education resources to their optimum; and

4. To serve as a model for the University's attempt to reach out to any under-represented group in the community, whether the Hawaiian, the immigrant Samoan, Filipino or other."

These objectives would be met through a student support service as well as a campus and community outreach program, to meet the needs of Hawaiian students who currently are not being reached by programs sponsored by the University of Hawaii and other State and community agencies.

While your Committee concurs with the intent of such a program, it is cognizant of other programs with similar objectives such as Trio and the College Opportunities Program. Thus, your Committee agrees that an appropriation of \$68,000 would accomplish the purpose of the HSRP program, but at the same time believes that the UH Administration needs the flexibility and discretion to coordinate all programs of a similar nature to avoid any duplication of effort.

INTERCOLLEGIATE ATHLETIC PROGRAM FOR THE COMMUNITY COLLEGES

In 1974, the Community Colleges and the University of Hawaii at Hilo received \$50,000 from the State Legislature for the operation of an intercollegiate athletic program for the 1974-75 academic year. The funds were allocated to the colleges as appropriated by the State Legislature, making possible five sports activities under the program for 1974-75.

Your Committee notes that an appropriation to continue the program in 1975-76 was not approved as the administration failed to provide satisfactory evidence of the program's direction. Yet, during the interim, students approached members of your committee and expressed their strong desire to continue the athletic program. Students pointed out that it is a needed support program that helps build campus solidarity.

While your Committee agrees to an appropriation of \$55,388 for the program, the Community College Chancellor should take all steps necessary to provide direction for the program and improve its administrative effectiveness. Your Committee feels that such action is essential to the continued viability of the program.

OCCUPATIONAL SAFETY AND HEALTH PROGRAM (OSH) - HONOLULU COMMUNITY COLLEGE

The 1975-77 budget proposed by the University requested \$30,000 for each year of the biennium to implement the Occupational Safety and Health Program (Act 195-76, Part V). The appropriation, however, was for \$60,000 for 1975-76 instead of \$30,000 for each year of the biennium. After considering the total needs of the college, the OSH program was allocated \$19,884 for FY 1975-76. Despite the time limitations imposed upon the college, an OSH instructor-coordinator was employed and a viable instructional program was established for the fall 1975 semester. A total of 56 students have enrolled in the OSH program during the fall 1975 semester.

Your Committee agrees with an appropriation of \$33,557 and one position count for FY 1976-77 to enable Honolulu Community College to continue the Occupational Safety and Health program during FY 1976-77 and remedy a technical deficiency in the appropriation. The continuation of the program would enable the first-year students to complete the program and would also enable the college to evaluate the Occupational Safety and Health program after two years of experience. During FY 1976-77, OSH program anticipates enrolling 55 new first-year students for a total projected student enrollment of 105 students, i.e., 55 new first-year students and 50 second-year students.

MARINE TECHNICIAN'S PROGRAM - LEEWARD COMMUNITY COLLEGE

Geographic and environmental factors have created a substantially strong marine industrial and research economy for the Pacific area. Based on this need, the State of Hawaii through Leeward Community College, University of Hawaii, initiated the Marine Technology Program. Classes began in 1970-71 with the support of the Federal Sea Grant Program. The program's goal has been to provide pre-service and in-service training to meet the diverse employment needs of Hawaii's marine industry.

The success of the program is seen in the rapid and continual growth in student enrollment in Marine Technology classes and the successful placement of graduates. Since 1972, over 50 students have received full- or part-time jobs. In fall 1975, over 100 F.T.E. students were trained in Marine Technology classes.

While continuing to meet Hawaii's needs, Leeward Community College has expanded this program into the Pacific Basin area under the auspices of Federal Sea Grant support. The college is offering a pre-service training relating to program commercial fishing occupations in selected Micronesian areas.

While increasing its outreach to the Trust Territory via federal funds and desiring to maximize its services to Hawaii residents, your Committee agrees with the Marine Technology program's need to increase its instructional activities and an appropriation of \$80,000 which will make it possible to: purchase, repair and reconvert a used boat; repair existing dock facilities; and finance necessary instructional supplies and personnel.

Currently, the program is served by a 45-foot reconverted sampan, the Kaiolohia. The 50-year old ship is only large enough to carry seven students at a time which requires an instructor to repeat a practicum for one class of thirty students four times. The loss of instructional time for students, the increased cost for the instructor's time, plus the continuing deterioration of the Kaiolohia, greatly limits the current instructional programs and make future growth almost impossible. The basic instructional tool for the program is a minimal sea-going vessel that meets adequate safety standards. The existing ship is neither adequate in size nor in safety standards. Because of the high cost of purchasing a new training boat, attempts have been made to locate a used boat, which with minimal repairs, could be used to adequately fulfill the program's needs.

Other current facilities are in need of repairs and improved safety standards. Additional supplies and ship equipment are necessary to provide instructional use of the boat. Funds are also needed for dock repair, additional supplies, and immediate personnel and fuel costs.

Your Committee has deleted appropriations for the Kona Branch Experiment Station, the Termite Control Program, Banana Research, the Cancer Center Demonstration Project and College Work-Study as these have been incorporated in other legislative measures. The bill has been so amended to reflect these changes.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2589-76 as amended herein, and recommends that it pass Second Reading and be referred to the Committee on Finance in the form attached hereto as H.B. No. 2589-76, H.D. 1.

Signed by all members of the Committee except Representatives
Shito, Evans and Hakoda.

SCRep. 238-76 Education on H.B. No. 3129-76 (Majority)

The purpose of this bill is to allow the State and private contractors to negotiate an extension to the bus contract on an annual basis, such negotiations not to exceed a period of two years.

The Department of Accounting and General Services now requires that in the interests of safety, no bus more than ten years old may be used by the school bus contractors for the transportation of students. The contracts processed by the Department are for a period of three years with an option to renew for another three years, or conceivably a total of six years on which the contractors can generally rely.

The contractors expressed a concern over the contract period, since they purchase buses with a lifespan of more than ten years and usually an amortization period of ten years. They are faced with a unique question in terms of capital investments for the buses because of the ten year age limitation. Furthermore, in rural areas, particularly on the neighbor islands where public transportation is limited, contractors making large capital investments for buses with limited use face a double jeopardy. This bill is not intended to circumvent the bidding laws of the State, but merely to alleviate some of the problems faced by bus contractors in this particular situation.

The bill does provide some protection to the State by:

- (1) Limiting the number of contract extension negotiations to two; and
- (2) Limiting the negotiated increase in compensation to not more than five percent a year.

In addition, by permitting this flexibility in contract negotiations for extensions, the Department of Accounting and General Services will be able to standardize existing contracts by letting them run out, then extending them until that time when they can all be negotiated at once. In this manner, the State will benefit from more competitive bidding for the various routes.

Your Committee amended the bill:

- (1) To clarify in section 1 of the bill that the provisions refer to both existing and future school bus contracts between the State and private contractors and by codifying this section;
- (2) By changing "shall" to "may" in Section 1, line 6;
- (3) By providing for a term of not more than two years in negotiated contract extensions;
- (4) By providing that the extensions be renewed on an annual basis; and
- (5) By limiting the increase in compensation to no more than five percent a year.

Your Committee on Education is in accord with the intent and purpose of H.B. No. 3129-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3129-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

Representatives Evans, Amaral and Santos did not concur.

SCRep. 239-76 Judiciary on H.B. No. 2698-76

The purpose of this Act is to amend certain sections of Chapter 291C, Hawaii Revised Statutes, relating to the Statewide Traffic Code, to provide in essence that violations of parking restrictions established under any law or ordinance shall constitute violations as provided by the Hawaii Penal Code and that such violations would be subject to fines, to be enforced and collected by the district courts, and which shall be deposited in the State general fund for State use. The bill would also prohibit the counties from imposing any other penalty or charge, criminal or civil, for such violations.

Your Committee finds that the counties presently lack statutory authorization to eliminate parking fines and to impose "parking charges" or "rentals" in derogation of the district court's power to impose fines for parking violations. Your Committee also notes that the Government Reorganization Commission is presently undertaking a study of the State government and the relationship between the State and the several counties. Your Committee believes that the recent attempt by the City and County of Honolulu to treat parking fines as City realizations might be a proper subject for study by the Reorganization Commission and therefore feel that the status quo should be maintained by the enactment of this bill.

Your Committee has made certain changes in working in Section 1 of the bill for purposes of clarification.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 2698-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2698-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 240-76 Judiciary on H.B. No. 2882-76

The purpose of this Act is to provide a grant-in-aid to Habilitat for the purpose of continuing its rehabilitation program.

Your Committee concurs that Habilitat provides an important alternative to those alienated from society. The Committee further concurs that Habilitat has demonstrated its value and effectiveness as a residential treatment facility. The Committee thus recommends that the sum of \$100,000 or so much thereof as may be necessary be appropriated out of the general revenues of the State of Hawaii to provide a grant-in-aid to Habilitat for the purchase of facilities to provide for rehabilitation and other necessary facilities.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 2882-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 241-76 Judiciary on H.B. No. 3117-76

The purpose of this Act is to appropriate moneys for the publication and distribution of a revised booklet to explain the functions of, and access to, small claims court.

Your Committee is in agreement that the publication of such a booklet would inform the public of the procedures followed by the small claims court. This booklet would be prepared in cooperation with citizens of the State who utilize such courts, and the judiciary may contract with another agency for publication.

Your Committee recommends an amendment to this Act which would appropriate the sum of \$2,251 out of the general revenues of the State of Hawaii, or so much thereof as may be necessary for the publication and distribution of the booklet.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 3117-76 as amended herein, and recommends that it pass Second Reading and be referred to the Committee on Finance in the form attached hereto as H.B. No. 3117-76, H.D. 1.

Signed by all members of the Committee.

SCRep. 242-76 Judiciary on H.B. No. 3038-76

The purpose of this Act is to establish, on panel for each state correctional facility for the evolution of progress made by inmates and establish appropriate commutation.

Your Committee is in agreement that the creation of commutation programs for inmates would assist in the management and control of the prisoners. In addition, the program would provide inmates with incentives to modify their attitude and behavior in order to qualify for consideration for reduction of the time set by the board of pardons and paroles.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 3038-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 243-76 Judiciary on S.B. No. 1771-76

The purpose of this bill is to provide for the submission at the general election of 1976 of the question on whether to have a Constitutional Convention.

In this, our nation's Bicentennial, all eyes of the people turn inward, contemplating the nation's past, present, and future. We examine our past history, to gain an insight on our strengths and weaknesses in order that we may plan our future more wisely. We scrutinize the status quo, in order to determine how much our reality meets our ideals. We contemplate the future, in order that we may plan for the direction Hawaii needs to go in order that the State may provide for its people and its land.

The Constitution of the State of Hawaii comprises the structure and fiber of our society. Our society is composed of our people, the native children of Hawaii. Just as individuals must, from time to time, re-examine their conduct, beliefs, and values,

so too must our society re-examine itself. In order to do this, we must look to that which comprises our structure and fiber, the Constitution of the State of Hawaii. Thus, your Committee concurs that the question on whether to have a Constitutional Convention be submitted to the people at the general election of 1976.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1771-76, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 244-76 Labor and Public Employment on H.B. No. 2599-76

The two-fold purposes of this bill are: (1) to change the nomenclature "security guards" to "state security officers"; and (2) to extend to state security officers the same benefits granted to policemen and firemen, if they are injured in the performance of duty.

State security officers--entrusted with all the powers of police officers under authorization of the attorney general and performing such duties as security officers, including off-duty employment with other state departments--face the same hazards as policemen and firemen. The fact that other departments would be compensating them does not remove nor diminish their police officers powers. Any injury sustained while on- or off-duty under hazardous conditions should give entitlement to all rights and remedies allowed under worker's compensation or any benefits awarded under the pension system.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2599-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 245-76 Labor and Public Employment on H.B. No. 2990-76

The purpose of this Act is to increase post-retirement allowances to three per cent after June 30, 1976. Each person who received post-retirement allowances under section 88-90(b), Hawaii Revised Statutes, shall be given the increased allowance beginning on July 1, 1976. Each person who first received a pension, annuity, or retirement allowance after December 31, 1974, shall receive the post-retirement allowance on the July 1 of the year following the calendar year in which the pension, annuity, or retirement allowance is effective.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 2990-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 246-76 Culture and the Arts on H.B. No. 2685-76

The purpose of this bill is to provide funding for a twenty-six week series on labor entitled "Rice and Roses" to be produced by Hawaii Public Television.

"Rice and Roses" has had a long history in Hawaii as a series, beginning in 1971 with 13 programs and in 1972 with 39 programs, all of which were well received. Funding for a series of 26 programs in 1973 followed, but the production staff for the program disbanded due to the uncertainty surrounding the transition of ETV from the University of Hawaii to the Department of Regulatory Agencies. The Legislature again funded the series in 1974 and the production of 20 shows occurred in 1975 as a result. Funding since 1974 has not been provided. However, plans for eight shows in 1976 which started in mid-February are being produced on remaining funds. To date, no other public television station in the country has a labor program, and in this area, Hawaii has clearly taken a lead. Your Committee believes that the program is unique in its ability to address the concerns and interests of Hawaii's working people, and can be of definite social and cultural benefit.

It is believed that \$75,000 would be sufficient to insure the production of a first-rate series of programs. Additionally, your Committee believes that the expending agency for these funds should logically be Hawaii Public Television. Changes are made in SECTION 3. Appropriation, to reflect these two points.

Your Committee on Culture and the Arts is in accord with the intent and purpose of H.B. No. 2685-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2685-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Inaba and Shito.

SCRep. 247-76 Culture and the Arts on H.B. No. 2792-76

The purpose of this bill is to more clearly set forth the intent and mechanics of Section 103-8, Hawaii Revised Statutes, pertaining to art in State Buildings.

The intent of the statute is to provide for the people of Hawaii the maximum access to art and its appreciation as is possible through display. However, certain legalities and fundamental questions cloud the realization of this intent. Your Committee believes that whatever barriers that may exist to this realization should be systematically removed.

Most fundamentally, what State appropriations can one percent of the total be deducted from for art should be defined. This bill addresses that problem by more stringently defining applicable State appropriations in lines 10, 11 and 13 of page 1 and line 5 of page 2, as being a "structure", or "state building" as opposed to "project." This would be consistent with the recent ruling on Aloha Stadium. Additionally, the statute would be further amended to be specific in allowing unrequired amounts from various buildings to be accumulated and spent on works of art for other structures which may require funds exceeding its own one percent allotment. Lines 11 through 13 of page 1 reflect this point.

Also, your Committee is in accord that the current statute be changed to allow the State Foundation on Culture and the Arts to recommend to the Comptroller, in addition to other heads of departments responsible for the construction of State buildings, what works of art to purchase as this is the State Foundation on Culture and the Art's area of expertise.

Your Committee, after hearing testimony, has decided to retain the word "original" in line 4, page 1, rather than to delete it. This would leave computation of art appropriation amounts free of the complications of later including supplements or additional increments to the original cost of a structure. To avoid repetition, your Committee would also recommend removing the words "director of transportation" and "other" on line 16, page 1, as the intent is sufficiently clear by adding only the words "and heads of departments responsible for the construction of State buildings." The comma (,) , line 1, page 2 is deleted for grammatical purposes.

Also, concerns were raised by the Comptroller to have a voice in the administration of commissions or fixed works of art to be permanently displayed while desiring to remain unencumbered in the administration of portable works of art. To this end, the words, "fixed" and "in consultation with the comptroller, and heads of departments responsible for the construction of state buildings" are added on page 2, lines 8, 10 and 11, respectively.

Your Committee on Culture and the Arts is in accord with the intent and purpose of H.B. No. 2792-76 as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2792-76, H.D. 1 and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Inaba and Shito.

SCRep. 248-76 Culture and the Arts on H.B. No. 2621-76

The purpose of this bill is to provide funding for the initial stages of planning and site selection for the proposed Windward Arts Center.

The Windward side of the island is serviced by several groups in the performing and visual arts, who have been to date without access to a complete and professional arts center. The stage of Kailua Elementary School has thus far served as the showcase for production of the Windward Theater Guild, which, dating back some eighteen years has produced some 77 plays and musicals. The Theater Group is but one of several groups proposing to use the projected Windward Arts Center, and while the number of groups has been large and for the most part fragmented, assurances were given your Committee that this initial planning would serve as a rallying point for better coordination of arts activities on the Windward side.

Your Committee on Culture and the Arts is in accord with the intent and purpose of H.B. No. 2621-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Inaba and Shito.

SCRep. 249-76 Culture and the Arts on H.B. No. 3177-76

The purpose of this bill is to delete the requirement to establish a compensation plan by statutes for professional and technical employees (Category B) who are exempted from the coverage of chapters 76 and 77.

On February 11, 1976, a report concerning a compensation plan for Category B employees was submitted by the Director of Personnel Services to the Legislature for its information and consideration. In this report, what was recommended was an alternative of not establishing any compensation plan through legislation due to the small number of employees (6) who are determined to be exempted from coverages of chapters 76 and 77. Further, it is felt more practical to administer employment of this nature under annual personal services contract than to establish a compensation plan. Establishment of a compensation plan by statutes would create a system which would be cumbersome, inflexible, inefficient, and out of mode with collective bargaining.

Testimony by Dr. Mary Bitterman, Executive Director of Hawaii Public Television voiced support. This bill would take the employees of Hawaii Public Television off the University of Hawaii's APT salary schedule, and instead provide for annual employment contracts.

Your Committee on Culture and the Arts is in accord with the intent and purpose of H.B. No. 3177-76 and recommends that it pass Second Reading and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representatives
Inaba and Shito.

SCRep. 250-76 Culture and the Arts on H.B. No. 2538-76

The purpose of this bill is to achieve excellence for the viewership of Hawaii Public Television through appropriations to expand the current staff and provide for a fund for local productions.

Hawaii Public Television has had a record of commendable service to the viewers of Hawaii. However, as most programs, Hawaii Public Television has the potential for even greater enhancement and your Committee is in accord with this intent.

However, in realizing that these are times that fiscal austerity are unfortunately necessitated, priorities must be established. Although the potential for local production support held by an appropriation of \$250,000 borders on fabulous, your Committee must responsibly question its feasibility. Likewise, the funding of six additional positions must be seriously considered, no matter how desirable its implementation.

Testimony by Dr. Mary Bitterman, Executive Director of Hawaii Public Television, indicated that although all six positions are needed, the top priorities of Public Television would be a sound technician, and at least one production technician. Likewise, almost any amount of funds devoted to local production would be better than the present situation, as currently, no funds are devoted to this purpose. Funding as little as \$25,000 could vastly improve the current Hawaii Now series with more on-location programs and broadcast of a few sporting events. Larger appropriations for local

production would result in more elaborate programming, but not without increasing attendant costs.

It has been shown to your Committee that television is an expensive medium, despite the obvious benefits of Public Television. However, keeping these benefits in mind, as well as the costs involved and fiscal realities, your Committee supports the purpose of H.B. No. 2538-76, but at a level of funding significantly lower. Rather, your Committee would recommend the funding of two positions rather than six. Those two positions would be (1) Sound Technician at a cost of \$17,000 per year and (2) Production Technician at a cost of \$10,500 per year. Lines five through seven are amended to reflect this. Additionally, further testimony by Dr. Bitterman showed that the figure of \$25,000 could be reduced a little without significantly reducing the specified program goals. Hence your Committee recommends what it feels to be the absolute minimum figure of \$22,000 for support of local production. Lines nine through ten are amended to reflect this point.

Your Committee on Culture and the Arts is in accord with the intent and purpose of H.B. No. 2538-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2538-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Inaba and Shito.

SCRep. 251-76 Culture and the Arts on H.B. No. 2835-76

The purpose of this bill is to provide funding, as a grant-in-aid to the Honolulu Community Theatre for improvements to existing structures and facilities.

The Honolulu Community Theater has had a long tradition of service in the performing arts for the benefit of the community at large. To help insure and inspire the continuation of the activities of the HCT, your Committee finds that refurbishment of the existing Fort Ruger facilities is well in order. In the past, program funds have had to be diverted for more immediate physical concerns, such as a badly leaking roof, and this cannot help but take away from presentations. Hence, funds are being requested for the express purposes of construction and improvements so as not to divert funds integral to programs. Renovations and repaving of the parking lot are essential to a smoother operation and installation of an orchestra pit will solve the problem of putting the orchestra for musicals in inappropriate places.

Your Committee on Culture and the Arts is in accord with the intent and purpose of H.B. No. 2835-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Inaba and Shito.

SCRep. 252-76 Water, Land Use, Development, and Hawaiian Homes on
H.B. No. 2167-76

The purpose of this Act is to permit flexibility in employing.

Your Committee feels that the \$6,000 salary is unrealistic and archaic.

Your Committee on Water, Land Use, Development, and Hawaiian Homes is in accord with the intent and purpose of H.B. No. 2167-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Inaba and Oda.

SCRep. 253-76 Water, Land Use, Development, and Hawaiian Homes on
H.B. No. 2746-76

The purpose of this Act is to provide reimbursement to the City and County of Honolulu.

Your Committee on Water, Land Use, Development, and Hawaiian Homes is in accord

with the intent and purpose of H.B. No. 2746-76, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Inaba and Oda.

SCRep. 254-76 Water, Land Use, Development, and Hawaiian Homes on
H.B. No. 2718-76

The purpose of this Act is to permit the Department maximum potential use of its C.I.P. funds for planning, surveying, site preparation and development, and road improvements.

Presently, the scope of authorization for a number of Department C.I.P. projects restricts the use of these funds to such an extent that the maximum use of these funds is not possible. For example, the consultants have indicated that the added cost for construction of an additional five lots at Kekaha is insignificant. In other words, the Department could prepare 30 lots for approximately the same price as the 25 lots currently authorized.

There is presently sufficient area at Kuhio Village, which has a waiting list of 135, to construct 56 (plus or minus) lots. One of the factors affecting the economics of the proposed housing package for the area is the amount of units to be built. More units will allow for a better house at a cheaper price.

The City and County of Honolulu has programmed the sewer trunkline to the Waianae Sewage Treatment Plant to be in the Nanakuli area by 1981. Should the Department proceed with road improvements without the sewer lines, it would necessitate coming back to install the sewer lines. Your Committee feels the road improvements and the sewer lines should be done simultaneously.

The estimated cost of designing a sewage treatment plant and sewer line for the Anahola subdivision is approximately three times the amount originally appropriated. In addition, further research indicated there were no cesspool problems in the Anahola area over the past year and a comprehensive research and planning effort for the area should be undertaken before any requests are made for specific activities.

Your Committee on Water, Land Use, Development, and Hawaiian Homes is in accord with the intent and purpose of H.B. No. 2718-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Inaba and Oda.

SCRep. 255-76 Water, Land Use, Development, and Hawaiian Homes on
H.B. No. 2717-76

The purpose of this Act is to increase the ceiling on loans to lessees for the construction and repair of homes; to allow greater use of the Development Fund; to provide for the Statewide Replacement Loan Fund; to provide flexibility in interest rates; and to make minor clarifying amendments.

It is increasingly difficult to negotiate contracts for homes of the Departments requirements, such as 3-4 bedroom homes of at least 1,300 square feet under roof at the present building costs. Raising the \$25,000 ceiling in the present law to \$35,000 would alleviate severe constraints on quality and size requirements.

Broadening of the provisions of the Hawaiian Home Development Fund is imperative to: 1) properly maintain deteriorating assets; 2) permit authorization of funding for projects where funding constraints have precluded progress; 3) contract necessary assistance to achieve the purposes of the Act; 4) purchase equipment and construct structures required; and 5) for off site improvements and development.

The present ceiling on repair loans is \$5,000. Present building costs place severe constraints on the scope of repairs that can be accommodated by this ceiling. Increasing the limit to \$10,000 would encourage a substantial increase in the maintenance of homes thus increasing the longevity of the homes which would thereby decrease the increasing need for replacement homes.

The Legislature has appropriated \$5,250,000 for a revolving Statewide Replacement Loan Fund. The proposed amendment would provide the Department with the necessary tool to make the funds available.

The establishment of the General Home Loan Fund is intended to be used for monies appropriated by the Legislature which are not specified for disbursement through any other fund.

The changes to the various subsections relating to interest rates is intended to provide for consistency in application throughout. The interest rate of two and one-half percent or higher amendment in no way affects the Hawaiian Home Loan Fund and will be determined by the Department upon the borrower's ability to pay. The two and one-half percent interest rate at today's market is an unrealistic expectation to be awarded those determined to be in need. The increased interest will accrue to the Hawaiian Home operating fund, which has been operating in a deficit. The option to enforce higher interest rates by ability to pay will assist in alleviating this financial problem.

Your Committee on Water, Land Use, Development and Hawaiian Homes is in accord with the intent and purpose of H.B. No. 2717-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Inaba and Oda.

SCRep. 256-76 Water, Land Use, Development, and Hawaiian Homes on
H.B. No. 2412-76

The purpose of this Act is to create a state park ranger corps.

Presently, the department of land and natural resources has a forest ranger program which deals only with forestry. The state park ranger corps will be dealing with people related activities, such as applying safety precautions and first aid, conducting search and rescue operations, securing compliance with regulations and laws, protecting private property, and protecting and interpreting for the pleasure and education of the public.

Your Committee on Water, Land Use, Development, and Hawaiian Homes is in accord with the intent and purpose of H.B. No. 2412-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Inaba and Oda.

SCRep. 257-76 Water, Land Use, Development, and Hawaiian Homes on
H.B. No. 2149-76

The purpose of this Act is to assure that the State retains primary enforcement responsibility of the National Pollutant Discharge Elimination System (NPDES) permit program in Hawaii by amending HRS Chapter 342 to more closely conform to the requirements set forth in Section 402 of the Federal Water Pollution Control Act.

The federal act deals with the discharge of substances into the water. One of the major goals of the Federal Water Pollution Control Act, Amendments of 1972, was to move from enforcement based solely on water quality standards, which had proven very difficult, to effluent emission limitations, and the present NPDES permit system embodies a stress on discharge limits independent of showings of water quality change.

The State act could be construed to require a showing that the discharge of substances detrimentally affects water quality. However, if Hawaii Revised Statutes Chapter 342 is construed to require a showing of harm to water quality, it would severely jeopardize Hawaii's present primary enforcement responsibility with respect to NPDES permits. Your Committee feels that Chapter 342 should be amended to avoid such interpretation to insure conformity with the federal act.

Your Committee suggests the following amendments, to read:

Section 342-31, Hawaii Revised Statutes, is amended to read:

(10) "Pollutant means sewage, heat, industrial, municipal, agricultural,

biological, and chemical materials, excessive noise, and all liquids, gaseous, and solid substances, including radioactive substances, whether treated or not."

A new "SECTION 2" has been added to read as follows:

"SECTION 2. Section 342-32, Hawaii Revised Statutes, is amended by amending subsection (1) to read:

- (1) Establish by rule or regulation water quality standards, effluent standards, treatment and pretreatment standards, [and] standards of performance for specific areas and types of discharges in the control of water pollution, thereby allowing for varying local conditions[;], and National Pollutant Discharge Elimination System permit program limits allowable by Federal law."

SECTION 2 has been renumbered to "SECTION 3" and will read as follows:

"SECTION 3. Section 342-33, Hawaii Revised Statutes, is amended to read:

Sec. 342-33 Prohibition. No person, including any public body, shall [use body, shall [use any State waters for the disposal of waste or engage in activity which causes State waters to become polluted,] discharge any pollutant into State waters, or cause or allow any pollutant to enter State waters, or violate any water quality permit or term or condition thereof [without first securing approval in writing from the director.] except as in compliance with the provisions of this chapter, rules and regulations promulgated pursuant to this chapter, or a permit issued by the director."

SECTION 3 has been renumbered to "SECTION 4".

SECTION 4 has been renumbered to "SECTION 5".

Your Committee on Water, Land Use, Development, and Hawaiian Homes is in accord with the intent and purpose of H.B. No. 2149-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2149-76, H.D. 1, and be referred to the Committee on Environmental Protection.

Signed by all members of the Committee except Representatives
Inaba and Oda.

SCRep. 258-76 Public Assistance and Human Services on H.B. No. 3204-76

The purpose of this bill is to appropriate \$126,000 to establish and operate a tenant security guard program at Kuhio Park Terrace.

The guard program will enhance the personal safety of the residents at the Hawaii Housing project which has had security problems in the past. A demonstration security program has shown the effectiveness of this approach. This type of program fosters greater resident responsibility, increases the opportunity for tenant self-government, and strengthens the sense of community, as well as providing on-the-job training for the resident employees. This appropriation will cover personnel, equipment, travel, and operating costs for the program.

It is your Committee's intent that the following stipulations be included in any contract entered into subsequent to this Act:

- (a) Mandatory reporting of significant incidents be reported to agencies designed by the Hawaii Housing Authority;
- (b) Provision for in-service training for program personnel; and
- (c) Provision for a resident status review mechanism to insure that the program continues to employ Kuhio Park Terrace residents.

It is also your Committee's intent that procedures for periodic evaluation of the program be instituted prior to the contracting of these services.

Your Committee on Public Assistance and Human Services is in accord with the intent

and purpose of H.B. No. 3204-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 259-76 Public Assistance and Human Services on H.B. No. 3164-76

The purpose of this Act, as amended herein, is to provide a \$5,000 grant to establish a special revolving emergency fund for the needy.

The establishment of this fund, to be administered by the Welfare Recipients Advisory Council, which is funded through the Progressive Neighborhoods Program, will allow quick disbursement of funds to persons in need of immediate assistance. Your Committee feels that this kind of provision increases our community's ability to respond to human needs in a timely manner.

For the purpose of clarity, your Committee recommends that Section 1, line 3 of this bill be amended as follows:

"as may be necessary, for the establishment of a special revolving emergency fund for the needy to be expended by the Welfare Recipients Advisory Council."

Your Committee further recommends an amendment for the purpose of appropriating \$5,000 to carry out the purposes of this Act.

Your Committee on Public Assistance and Human Services is in accord with the intent and purpose of H.B. No. 3164-76, as amended herein, and recommends that it pass Second Reading in the form hereto attached as H.B. No. 3164-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 260-76 Public Assistance and Human Services on H.B. No. 3193-76

The purpose of this bill is to provide a grant-in-aid to Operation Kokua, Inc. Day Care Center to subsidize child care services for non-(Title XX) eligible families.

The child care component of Operation Kokua began as a Model Cities project. The only eligibility criteria at that time was residence in the designated Model Cities area. When Model Cities funding was reduced, Operation Kokua sought Title IV-A and later Title XX funds. The Social Security Act requirements limited subsidies to children who qualified under the Department of Social Services and Housing means test. For those children above the Department of Social Services and Housing eligibility ceiling, other funding had to be sought and the Department of Social Services and Housing records show that Community Development Block Grant funds, administered by the City and County of Honolulu, were utilized. Since social service programs are not being considered as a Community Development Block Grant funding priority for this coming fiscal year, supplemental assistance from the State is being sought through this bill.

This bill raises a more important issue with major State policy implications. The basic issue is whether the State can and should provide universal child care regardless of the income of the family. Your Committee feels that quality child care is an essential human service in our society today. However, there is a great deal of concern about the role of the State in providing this service. Your Committee feels it is essential to have wider discussion on this potential State policy decision before we appropriate large amounts of money for such programs.

Your Committee on Public Assistance and Human Services is in accord with the intent and purpose of H.B. No. 3193-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 261-76 Public Assistance and Human Services on H.B. No. 2952-76

The purpose of this bill is to provide a \$34,000 grant-in-aid for the Abused Spouse

and Child Shelter, administered by the Kokua Kalihi Valley Association and funded through the Department of Social Services and Housing.

The Kokua Kalihi Valley Association shelter is the only facility in Hawaii which allows the abused spouse to maintain the family unit after leaving an abusing situation. Prior to the opening of the Kokua Kalihi Valley Association shelter in June, 1975, social workers were often forced to house families in hotels or to separate adults from their children by placing the children in emergency shelter homes and placing adults in shelters for single adults. Maintaining the family unit is often critical in abused adult's decision to leave the abusing environment and is an integral part of minimizing the emotional trauma of the respite.

The shelter is presently funded by a Health, Education and Welfare Office of Child Development child abuse demonstration grant. However, changes in program costs, escalated by spiraling costs, have required that supplemental funding for this service be sought.

Your Committee on Public Assistance and Human Services is in accord with the intent and purpose of H.B. No. 2952-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 262-76 Public Assistance and Human Services on H.B. No. 2922-76

The purpose of this bill is to provide a grant-in-aid to Hale Opio, Inc., a residential treatment facility for youth on Kauai.

The Hale Opio program provides a counseling and shelter program for youth in need of a substitute home because of family problems, mental and physical abuse or neglect, delinquent behavior, or the absence of a family unit. This is the only such facility on Kauai. The project is designed to serve about 50 youth (8-17 years of age) per year, with an average stay of one year.

Your Committee recommends an amendment to designate the Kauai Community Services Council as the expending agency.

Your Committee on Public Assistance and Human Services is in accord with the intent and purpose of H.B. No. 2922-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2922-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 263-76 Public Assistance and Human Services on H.B. No. 3197-76

The purpose of this Act is to appropriate \$25,000 to the Waianae Coast Rap Center, a youth development program, to assure the continuation of the current level of services for the remainder of the 1977 calendar year.

The Rap Center is currently funded by Title XX of the Social Security Act, Progressive Neighborhoods Program, and National Institute on Drug Abuse funds. It recently lost its National Institute on Drug Abuse funding when the emphasis unanticipatedly was shifted to residential treatment programs and programs for hard core narcotics addicts. Negotiations are underway to obtain a more permanent source of funding. Thus, your Committee recommends an amendment to provide that maximal use of other alternative funding be made before the funds appropriated by this Act be released.

Your Committee on Public Assistance and Human Services is in accord with the intent and purpose of H.B. No. 3197-76, as amended herein and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3197-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 264-76 Public Assistance and Human Services on H.B. No. 3198-76

The purpose of this bill is to provide funds for the Lokahi Hawaiians volleyball team to allow the team to participate in more local, state, and national tournaments.

The Lokahi Hawaiians volleyball program emphasizes the values of hard work, cooperation, and humility. Travel is the primary medium for fostering personal growth and development.

Your Committee recommends an amendment for the purpose of appropriating \$25,000 to be expended by the Progressive Neighborhoods Program, to carry out the purposes of this bill.

Your Committee on Public Assistance and Human Services is in accord with the intent and purpose of H.B. No. 3198-76, as amended herein and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3198-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 265-76 Public Assistance and Human Services on H.B. No. 3112-76

The purpose of this bill is to amend Chapter 346, Hawaii Revised Statutes, to conform with federal statutes and regulations, and to be consistent with the legislative intent of previous amendments to this chapter. The specific amendments proposed in the bill are as follows:

a) Repeal of Section 346-28 Transportation:

The Department's testimony stated that transportation allowance is no longer necessary as a special item. Pursuant to Act 145, this allowance has been fairly averaged and fairly priced into the monthly standard allowance.

b) Section 346-29 Applications for public assistance; manner, form, conditions:

The bill amends the definition of "net income" with regard to the Department's determination of need, by providing that "net income" for all cases shall be such income as the Social Security Act or other federal acts may require. The proposed amendment would allow the State to conform to federal statutes and regulations on an on-going basis, as well as allow for uniform application of the federal definition of income for all public assistance cases.

The bill would further amend this section by adding a subsection which provides for determination of income and income disregards by the Department, for the general assistance program. Your Committee finds the establishment of general assistance program policy with regard to income necessary, but does not favor allowing the Department the discretion proposed by this amendment. Your Committee recommends amending the bill by deleting this subsection.

The bill amends subsection (5) of section 346-29 by designating the responsibility for defining "liquid assets" to the Department. This section presently does not define or delegate the duty to define this term. Your Committee recommends that the bill be amended to specify that the director of the Department of Social Services and Housing shall adopt rules to define "liquid assets", pursuant to Chapter 91.

c) Section 346-53 Determination of amount of assistance:

The bill would repeal subsection (c) of section 346-53 which deals with public assistance to children living in the homes of non-needy relatives. Currently, the statute does not provide for payment of the shelter allowance in behalf of these children. This section was invalidated by a Supreme Court decision which prevents a state from presuming the availability of income for any recipient in federal categorical assistance programs.

Your Committee does not favor the repeal of this section, and recommends that the bill be amended to add to section 346-53 (c) the provision that the Department shall pay for shelter allowance on behalf of these children.

The Department cannot presently estimate the financial implications pursuant to the

enactment of the bill, as amended herein.

Your Committee on Public Assistance and Human Services is in accord with the intent and purpose of H.B. No. 3112-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3112-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 266-76 Public Assistance and Human Services and Labor and Public
Employment on H.B. No. 2651-76

The purpose of this Act is to appropriate funds for the Kalihi-Palama Immigration Service Center to maintain its current level of services to immigrants.

The Kalihi-Palama Immigration Service Center is currently funded by the Progressive Neighborhoods Program and the Community Development Block Grant program administered by the City's Office of Human Resources. The Community Block Grant Program funds support five major service components: general immigration services, pre-placement orientation program, Catholic Social Services-Windward Immigration Program, YWCA-Leeward Tutorial Program, and coordinated services for immigrants. These services represent an expansion beyond the core services funded by the Progressive Neighborhood Program.

Your Committees understand that line agencies may be able to assume some program costs through federal funding and believes that demonstration services, once tested and found to be viable and beneficial, should be spun-off to the responsible line agencies. Therefore, your Committees recommend an amendment to provide that other alternative sources of funding be explored prior to the release of funds appropriated by this Act.

Your Committees further recommend an additional requirement that the State Commission on Manpower and Full Employment's evaluation report be completed prior to the release of funds appropriated under this Act.

Your Committees on Public Assistance and Human Services and Labor and Public Employment are in accord with the intent and purpose of H.B. No. 2651-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2651-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Sakima, Evans, Fong and Sutton.

SCRep. 267-76 Health and Labor and Public Employment on H.B. No. 2999-76

The purpose of this bill is to establish the position of one additional deputy in the Department of Health in charge of administration or such other functions within the department as may be assigned by the Director of Health with the approval of the Governor.

The position of a deputy for administration is proposed to strengthen the top level management team of the Department of Health. The department is the third largest state agency next to the Department of Education and the University of Hawaii. It has statewide programs which are complex, varied, and distinct in nature and scope. The new deputy would fill a vital need in the areas of administrative and management leadership, departmental planning, guidance and assistance to all departmental programs.

Additional funding for the proposed deputy position is not being requested since the salary cost of this position can be absorbed within existing appropriation.

Your Committee on Health and Committee on Labor and Public Employment are in accord with the intent and purpose of H.B. No. 2299-76 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Evans.

SCRep. 268-76 Health on H.B. Nos. 2289-76, 2326-76, 2534-76, 2535-76, 2726-76,
2845-76, 2877-76 and 3048-76

1. H.B. No. 2289-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A GRANT-IN-AID FOR KAPIOLANI HOSPITAL, OAHU".

The purpose of this bill is to make an appropriation for a grant-in-aid to Kapiolani Hospital for the planning and construction of a new Medical Center which will provide a comprehensive program of maternal, child and infant care.

2. H.B. No. 2326-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE CONSTRUCTION OF KAUIKEOLANI CHILDREN'S HOSPITAL, OAHU".

The purpose of this bill is to make an appropriation for the design, planning, site preparation and construction of the building, and also for the equipment for the Kauileolani Children's Hospital.

3. H.B. No. 2534-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A GRANT-IN-AID TO KUAKINI MEDICAL CENTER, OAHU".

The purpose of this bill is to provide a grant-in-aid to Kuakini Medical Center for the planning, construction, and equipping of a 150-bed care home for elderly people; a day care center for 100 elderly people; and a 100-bed intermediate care facility for the proposed Progressive Health Care Building.

4. H.B. No. 2535-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A GRANT-IN-AID TO KUAKINI MEDICAL CENTER, OAHU".

The purpose of this bill is to provide a grant-in-aid to Kuakini Medical Center to meet the new federal requirements for the planned helicopter landing pad at the proposed Progressive Health Care Building.

5. H.B. No. 2726-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR GRANT-IN-AID TO QUEEN'S MEDICAL CENTER, OAHU".

The purpose of this bill is to provide a grant-in-aid to Queen's Medical Center for the planning, construction, and modernization of patient care units.

6. H.B. No. 2845-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR CAPITAL IMPROVEMENT PROJECT UNDER GRANT-IN-AID FOR ST. FRANCIS HOSPITAL".

The purpose of this bill is to provide a grant-in-aid to St. Francis Hospital for the planning, construction, and modernization of patient units.

7. H.B. No. 2877-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR CONSTRUCTION OF AN ADDITION TO THE PACIFIC INSTITUTE OF REHABILITATION MEDICINE".

The purpose of this bill is to provide sufficient funds for the completion of the two-floor addition to the Pacific Institute of Rehabilitation Medicine which is now called the Rehabilitation Hospital of the Pacific.

8. H.B. No. 3048-76, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE G.N. WILCOX MEMORIAL HOSPITAL, KAUAI".

The purpose of this bill is to provide a grant-in-aid to the G.N. Wilcox Memorial Hospital for the completion of their new construction and modernization program.

Your Committee on Health is in accord with the intent and purpose of H.B. Nos. 2289-76, 2326-76, 2534-76, 2535-76, 2726-76, 2845-76, 2877-76 and 3048-76 and recommends that they pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral, Clarke and Evans.

SCRep. 269-76

Health on H.B. No. 2360-76

The purpose of this bill is to provide state funding to continue until June 30, 1977 the outreach, health education, interpreting, counselling and other services provided by the eighteen Vista bilingual health education aides presently employed by the Department of Health.

Your Committee finds that the bilingual health aide program was first funded in August 1973 by the Federal Action Program - Vista for up through three years. The primary focus of the program has evolved from tuberculosis detention and control to providing linkages with other Department of Health programs to assisting immigrants deal with a wide spectrum of problems (health, employment, housing, school) involving different public and private agencies. Program workers have found that frequently other problems have had to be ameliorated before immigrants could be helped with their health problems. Target groups of the program have been immigrants from Asia and in-migrants from Samoa. Services are currently provided on all islands; there are ten positions located on Oahu and eight on the neighbor islands.

In its recently published report, Immigrants in Hawaii, 1965-1975, the Commission on Manpower and Full Employment noted that the Department of Health records indicate that the majority of new cases of certain infectious diseases, particularly tuberculosis and leprosy, have been among immigrants from countries where the prevalence of these diseases is high.

Other health problems such as anemia, malnutrition and gum diseases were found to be common among immigrants. The report further pointed out that immigrants have problems securing adequate health care because they are unfamiliar with Hawaii's health care system and also because of language problems, have difficulty obtaining the needed health services.

Your Committee recognizes the need for the continuation of the bilingual health aide program and recommends state funding for the eighteen contractual bilingual health education aides. Since federal funds will be available for an additional two months (until September 30, 1976), your Committee recommends an appropriation of \$104,000 to extend the program to June 30, 1977.

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2360-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2360-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Amaral, Clarke and Evans.

SCRep. 270-76

Judiciary on H.B. No. 3458-76

The purpose of this Act is to establish a Hawaii Commission on Crime.

The creation of a crime commission would provide a mechanism for citizen input into governmental activities with regard to crime, through systematic and thoughtful development of new programs, review of ongoing programs, investigation, public education, and legislative recommendation functions.

Your Committee is in agreement that there are many issues in the problem of crime and that there is a distinct need for such a citizens group to focus on this total problem and to examine its issues critically and impartially in order to come up with recommendations which can effectively deal with crime.

Your Committee recommends an amendment to this Act to specifically provide staffing for this commission and the funding therefor. The staff shall be composed of at least one attorney, one stenographer, and one investigator. The sum of \$60,000 or so much thereof as may be necessary shall be appropriated from the general revenues to provide funding for the hiring of this staff.

In addition, your Committee recommends an amendment that the commission number no less than ten members and no more than thirty members and that the commission be temporary in nature. The Commission shall report its findings and conclusions to the 1977 Regular Session of the Legislature and terminate two years after the date of approval. Your Committee also recommends an amendment that employees of public agencies are not eligible for appointment to the commission.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 3458-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto, as H.B. No. 3458-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Cayetano, Cobb and Sutton.

SCRep. 271-76 Judiciary on H.B. No. 2593-76

The purpose of this Act is to provide for sufficiency of notice to landowners whose property is the subject of forfeiture.

Your Committee is in agreement that current Hawaii laws relating to the foreclosure of real property tax lien does not provide for adequate notice to the owners of the land sought to be foreclosed upon.

Your Committee feels that notice to owners by publication is inadequate and violates due process of law, and that even if current practice is, indeed, adequate, such procedural practice should be codified.

As your Committee found that it is not necessary to delete certain sections of the tax liens statutes, as provided for in this Act, and that the intents and purposes of this Act can be accomplished by amending section 246-56 and 246-57, your Committee has concurred in approving H.B. No. 2593-76, H.D. 1, amending Section 246-56, Hawaii Revised Statutes.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 2593-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2593-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Cayetano, Cobb and Sutton.

SCRep. 272-76 Judiciary on H.B. No. 3052-76

The purpose of this Act is to increase the fees to be paid to witnesses, other than a public official or employee, required to attend upon a court or a grand jury in any criminal case.

Your Committee is in agreement that an increase in witness fees and per diem expenses for persons attending trials on islands other than their residence are needed to compensate witnesses for their necessary services.

Your Committee recommends that an amendment to this Act which would appropriate the sum of \$176,855 out of the general revenues of the State of Hawaii, or so much thereof as may be necessary for the purposes set forth.

Your Committee also recommends an amendment to Section 4 which would provide that this Act take effect on July 1, 1976.

Your Committee is in accord with the intent and purpose of H.B. No. 3052-76, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 3052-76, H.D. 1.

Signed by all members of the Committee except Representatives
Cayetano, Cobb and Sutton.

SCRep. 273-76 Labor and Public Employment on H.B. No. 3171-76

The purpose of this Act is to provide that where a retirement system member dies of a terminal illness within thirty days after the date of a filing for retirement, the designated beneficiary shall receive that amount which would be payable had the member retired before death, provided the member did not know of the terminal nature of the illness more than thirty days prior to death, and his physician did know but elected not to advise the member of such because of the mental or physical well-being of the member.

Your Committee feels that where a member has filed for retirement and under this Act, has no knowledge of a terminal illness more than thirty days prior to such retirement, the benefits which follow should be based on the option selected by the member.

Your Committee has amended this Act by removing the retroactivity provisions, as traditionally no retroactive changes to the retirement provisions are made.

Your Committee on Labor and Public Employment is in accord with the intent and purpose of H.B. No. 3171-76, as amended herein and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3171, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 274-76 Education and Higher Education on H.B. No. 2648-76

The purpose of this Act is to appropriate funds to Project RISE (Resources for Individuals Seeking Education), a social enhancement and educational services program for immigrant and local students in the Leeward area.

Your Committees heard testimony from the Chancellor of the Community Colleges, the Superintendent of the Department of Education, and from many Leeward Community College students currently involved in Project RISE and finds as follows:

Your Committees understand that the process of acculturation is a traumatic experience for the young immigrant in Hawaii. The vast majority of immigrants arrive here with little knowledge of Hawaii and are unprepared to deal with the confusion and frustrations of life in an alien culture.

Schools and the educational system could have a major effect on the adjustment of these students. The goal of Project RISE is to assist in making this adjustment successful.

Project RISE was initiated by disadvantaged and minority students at Leeward Community College dedicated to helping the immigrant and local high school students in their community.

Leeward College students have benefitted from their involvement in Project RISE through: 1) the development of peer counseling skills; 2) increased understanding of their own ethnic identity and 3) leadership skills in the successful administering of their own program.

Your Committee is aware that Project RISE has helped to improve relationships between immigrant and local students, and strives to help solve the serious problems of violence in the schools.

In recommending this program, your Committee has amended the bill to provide an appropriation of \$57,500.

Your Committees on Education and Higher Education are in accord with the intent and purpose of H.B. No. 2648-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2648-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Shito, Evans, Inaba and Amaral.

SCRep. 275-76 Higher Education on H.B. No. 2691-76

The purpose of this bill is to re-designate the Center for Labor-Management Education at the University of Hawaii and establish it as the Center for Labor Education and Research. The Center shall (1) provide labor education instruction, labor-related research, and educational services for workers and their organizations; (2) provide labor-related education to the public; (3) advise and assist in the development and implementation of labor-related instructional programs, courses and activities for use within the Department of Education; including teacher preparation therefor; (4) advise and assist in the development and implementation of labor studies degree programs in the University of Hawaii system; and (5) be the clearinghouse for labor

education matters in the State.

The 1975 Legislature appropriated funds to conduct a study on Labor Education. This report has been submitted to the Legislature and your Committee held hearings on the recommendations of the reports which have been incorporated in H.B. No. 2691-76.

Your Committee believes that the expressed need and desire for specialized education and training by workers and leaders of trade unions to improve their professional competence in order to effectively administer their affairs, to improve their ability to intervene wisely in shaping their environment on the job, in their unions, and in the community while commendable, has neither been adequately nor effectively addressed by educational institutions of the State. Moreover, the substantial contributions by organized labor to the improvement of social, political and economic well-being of our citizenry is largely unknown by the public at large. Segments of organized labor testified that statutory redesignation was necessary to improve the delivery of labor education services.

Therefore, your Committee believes that it is urgent that the need for specialized labor education be provided by the University of Hawaii. This legislation is designed to enable the University to so provide.

Your Committee recommends the following amendments:

1. Section 3 has been amended as follows:
 - a) The semicolon at the end of line 21, page 2 of the bill has been removed and the following language added: during the fiscal year 1976-77;

The amendment makes clear that the long range plan will be completed during the fiscal year, 1976-77.

2. Section 4 is amended in the following respects:
 - a) Line 16, page 3 of the bill, delete the words "Center director" and substitute therefore the words "Dean of the College of Continuing Education and Community Services".
 - b) Line 18, page 3, delete the first word "director" and substitute the word "Dean" therefor.
 - c) Line 22, page 3, delete the word "as appropriate" and place a period at the end of the word "reimbursed".

The preceding amendments essentially provides that the Advisory Council will be advisory to the Dean of the College of Continuing Education and Community Services, instead of advisory to the Center director. The words "as appropriate" are superfluous.

3. Section 5 has been amended in the following respects:
 - a) Line 10, page 4, delete the period and add the following: HRS, or by the Board of Regents Classification System, as appropriate.
 - b) Line 14, same page, add the figure 7 in the blank space.

The first amendment is necessary since permanent staff professionals are covered by Board of Regents Classification System and not by civil service.

The Second amendment results in four new positions to be established at the Center; there presently are three. One of the four new positions will be clerical position, the rest being professionals.

4. Section 6 has been amended in the following respects:
 - a) Line 19, page 4, delete the words "President of the University" and substitute the following therefor: "Dean of the College of Continuing Education and Community Services".

- b) Line 1, page 5, delete the words "President of the University" and substitute therefor the word "Dean".

These amendments conform to the University's request and makes clear that the Center being a part of the CCECS, would require the Dean thereof to exercise the authority covered by the above.

5. Section 7 has been deleted in its entirety, as it is superfluous.

6. Section 8 has been amended in the following respects:

- a) Line 11, page 5, add the figure, \$250,000 in the blank and delete the rest of the sentence, substituting therefor, the following:
"to carry out the purposes of this Act."
- b) This section is to be renumbered Section 7.

This amendment makes an appropriation of \$250,000 for this program.

7. Section 9 is to be renumbered Section 8.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2691-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2691-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Shito and Evans.

SCRep. 276-76 Higher Education on H.B. No. 2807-76

The purpose of this bill and of related bills, H.B. No. 2460-76 and H.B. No. 2817-76, is to make an appropriation for the purchase and installation of an acoustic shell for the Leeward Community College Theatre.

Your Committee received testimony from the Chancellor for the Community Colleges and finds as follows:

The Leeward Theatre was first opened in September 1974 and is now in its second full year of operation. Already, the Theatre has been used for a broad range of productions including drama, dance, films, concerts, symphonies and lectures. In the first year alone, there have been 82 separate productions attended by 21,894 persons. Your Committee is aware that the Theatre has become the major center for the promotion of cultural activities in the Leeward area.

To enhance further the quality of the Theatre's musical and concert performances, your Committee believes that an acoustic shell should be installed.

Your Committee has amended this bill to appropriate the necessary funds for the acoustic shell. The appropriation of \$45,000 is the sum of funds designated in H.B. No. 2460-76, H.B. No. 2807-76, and H.B. No. 2817-76 for this purpose.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2807-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2807-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Shito and Evans.

SCRep. 277-76 Higher Education on H.B. No. 2885-76

The purpose of this Act is to provide for a half-time position to serve as an assistant to the Dean of Students at the University of Hawaii at Manoa.

Your Committee heard testimony from the Dean of Students, University of Hawaii at Manoa and finds as follows:

In the Spring of 1974, the Chancellor's Office of the University of Hawaii at Manoa, transferred the administrative responsibility for Radio Station KTUH-FM from the Department of Speech Communications in the College of Arts and Sciences to the Office of the Dean of Students.

Your Committee finds that in order to manage effectively this responsibility, a half-time junior specialist position should be established within the Office of the Dean of Students.

Therefore, your Committee recommends an amendment to appropriate \$5,700 for a half-time position for the Office of the Dean of Students at the University of Hawaii at Manoa.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2885-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2885-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Shito and Evans.

SCRep. 278-76 Higher Education on H.B. No. 2938-76

The purpose of this Act is to amend the Hawaii Revised Statutes in order to mandate the Board of Regents to negotiate a fee schedule for lecturers that will be applied uniformly throughout the University of Hawaii System.

Your Committee is aware that the fee schedule for lecturers at the Community Colleges differs from that of the University of Hawaii-Manoa. Community College lecturers are paid a flat rate of \$320 per credit hour without consideration of classification or grade. The University of Hawaii-Manoa, however, has established a fee schedule for lecturers' compensation commensurate with their classification and grade. Your Committee strongly believes that this University policy violates the principle of equal pay for equal work.

Your Committee is aware that negotiations regarding salaries for Community College faculty including lecturers are currently underway. The Committee wishes that the Board of Regents consider and be guided by the spirit of this Bill.

To be in accordance with the existing collective bargaining agreement, your Committee has made the following amendment:

Section 304- The Board of Regents shall negotiate a fee schedule for lecturers that will be applied uniformly throughout the University of Hawaii System according to classification and grade.

Your Committee on Higher Education is in accord with the intents and purpose of H.B. No. 2938-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2938-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Shito and Evans.

SCRep. 279-76 Higher Education on H.B. No. 3007-76

The purpose of this Act is to make an appropriation to enable the Environmental Center to continue the research functions developed by the Hawaii Environmental Simulation Laboratory (HESL) until the continuation of HESL can be assured through the next University biennium budget request.

Your Committee is aware that the functions of the University of Hawaii Environmental Center are to stimulate, expand and coordinate education, research and service efforts of the University of Hawaii related to ecological relationships, natural resources and environmental quality.

Your Committee finds that the Environmental Center has relied substantially on the Hawaii Environmental Simulation Laboratory for the performance of environmental

research functions.

HESL is presently supported by grants from the National Science Foundation and the Ford Foundation. However, the grant support was for the developmental period of HESL and will terminate this summer.

Your Committee is aware that since its establishment in 1971, HESL's activities have contributed to the improvement in planning and management of Hawaii's environment.

Some projects completed by the HESL include: (a) an environmental impact study of alternative development policies for the Kaneohe Bay region, (b) various analyses of the State's carrying capacity, (c) development of a sedimentation severity rating formula which provided the basis for Department of Health regulations on sedimentation standards and county grading ordinances, (d) contribution to the development of county ordinances for interim shoreline protection and of information systems to be used in the State Coastal Zone Management program, (e) a model for estimating the effects of land-use change on peak flood discharges and flood hazards, (f) a communication between government agencies and community groups in various controversial issues such as Kahaluu flood control project, proposed Heeia development and proposed land use changes in the Waihole-Waikane vicinity, and (g) responses to some 400 requests relating to environmental concerns from State agencies, county agencies and community groups.

Your Committee supports the appropriation which, together with anticipated grants and contracts for specific research projects, will enable the Environmental Center to continue HESL functions until its long term status can be decided as part of the next University biennium budget request.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 3007-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Shito and Evans.

SCRep. 280-76 Higher Education on H.B. No. 3191-76

The purpose of this bill and of related H.B. No. 3155-76 is to make an appropriation for a gymnasium at the Leeward Community College Campus of the University of Hawaii.

Your Committee received testimony from the Chancellor of the Community Colleges, and from Leeward Community College students and finds as follows:

Your Committee recognizes that there is a need for adequate physical facilities at Leeward Community College. Currently, students pursuing an Associate of Arts Degree in Recreational Instruction are provided with no on-campus facilities and must utilize the already overcrowded Waipahu Recreational Gymnasium located nearly three miles away. Leeward students are also in need of gymnasium facilities for intramural, recreational and physical education purposes.

Your Committee is aware that a gymnasium is included in Leeward's Master Plan and that the construction of the facility are dependent on the availability of the Navy Drum Storage Area. The Chancellor of the Community Colleges reports that no definite date has been set as to when the lands will be available. Therefore, your Committee has amended H.B. No. 3191-76 to appropriate \$100,000 for the planning and design of a gymnasium at Leeward Community College.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 3191-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3191-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Shito and Evans.

SCRep. 281-76 Higher Education on H.B. No. 3232-76

The purpose of this bill is to provide an appropriation for the continuation of summer

session programs at the Community Colleges of the University of Hawaii system.

Recently, the University determined that the proper use of general funds may preclude the support of summer session operating expenditures at the Community Colleges and that until a definitive policy was established, it was necessary to discontinue summer session programs at Community College campuses. In addition, budgetary constraints have affected the level of funding which would have been available to the Community Colleges for summer session purposes.

Your Committee finds that a policy determination, regarding the use of general funds for summer session purposes, must be established prior to a decision to curtail services.

Your Committee further finds that the termination of summer session programs will affect the progress of students currently enrolled in the University system and not previously advised of the University's decision.

Therefore, your Committee recommends that funds be appropriated as an interim measure for 1976. Your Committee expects the University to make a definitive policy decision on the funding of summer sessions at the Community Colleges so that appropriate budgetary action may be taken.

Your Committee has amended H.B. No. 3232-76 to include an appropriation of \$228,000.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 3232-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3232-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Shito and Evans.

SCRep. 282-76 Higher Education on H.B. No. 3289-76

The purpose of this Act is to make an appropriation for the establishment of a School of Human Resource Development in the College of Tropical Agriculture at the University of Hawaii-Manoa.

During the 1975 Legislative Session, the State House of Representatives passed a resolution, pursuant to your Committee's recommendation, requesting the University of Hawaii to consider the immediate establishment of a School of Human Resource Development within the College of Tropical Agriculture.

Your Committee felt that a School of Human Resource Development could provide, under a single administration, a coordinated instructional, research and community service program focused on the family and its role in society.

On March 2, 1976, your Committee received testimony from the University administration recommending that the reorganization of the College of Tropical Agriculture be delayed until: 1) the University completes its review of the College's structural organization and presents its recommendations and 2) until the new dean for the College of Tropical Agriculture has been appointed.

Your Committee, however, is aware that the proposal has been under consideration for seven years and firmly believes that further delay is unwarranted.

In considering the reorganization plan, your Committee believes that the University of Hawaii should examine the feasibility of establishing a School of Agriculture and give careful consideration to the concerns of the extension services program.

Your Committee has amended the bill to appropriate \$82,000 for the establishment of a School of Human Resource Development.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 3289-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3289-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Shito and Evans.

SCRep. 283-76 Higher Education on H.B. No. 2248-76

The purpose of this Act is to create a revolving fund for the centralized operation of duplicating and other reproduction services on the Manoa Campus on a self-supporting basis.

The Committee heard testimony by the Director of Budget and Program Evaluation and finds as follows:

The high costs of duplicating and photocopying services at the University impelled the administration to conduct an investigation on its use. The principal recommendation of the review a centralized control, review and accounting system. The study proposed that the Central Duplicating Service would best be able to develop and apply the appropriate controls which would permit periodic review of utilization and costs and thus result in improved efficiency and economy.

Your Committee believes a workable dollar limitation on the balance that could be accumulated in the proposed duplicating service revolving fund would act as a safeguard against its unreasonable expansion and proposes that the following amendment be added to the bill:

"The fund may accumulate a balance of not more than \$150,000 as of June 30 of each fiscal year, provided that any amount in excess of \$150,000 shall be deposited into the general fund of the State."

Your Committee recommends the amendment to limit the number of additional staff that may be hired to implement the purpose of this Act. Your Committee believes a ceiling of 12 positions for the Central Duplicating Service should be established.

In addition, your Committee recommends a minor change in the language of the Act to make clear that, while the service is located on the Manoa Campus, it may provide services to the University of Hawaii's off-campus operations.

Your Committee on Higher Education is in accord with the intent and purpose of H.B. No. 2248-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2248-76, H.D. 2, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Shito and Evans.

SCRep. 284-76 Water, Land Use, Development, and Hawaiian Homes on H.B. Nos. 2144-76, 2292-76, 2348-76, 2349-76, 2352-76, 2354-76, 2405-76, 2447-76, 2448-76, 2449-76, 2462-76, 2530-76, 2531-76, 2532-76, 2577-76, 2580-76, 2585-76, 2586-76, 2602-76, 2603-76, 2607-76, 2609-76, 2656-76, 2841-76, 2899-76, 2900-76, 2997-76, 3027-76, 3081-76, 3082-76, 3143-76, 3159-76, 3183-76, 3184-76 and 3222-76

H.B. No. 2144-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE KAUPU WATER PROJECT, MAUI."

The purpose of this Act is for the incremental development of the Kaupo water project and system.

H.B. No. 2292-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A PARK IN MANANA-UKA VALLEY (WAIMANO GULCH) BETWEEN PACIFIC PALISADES AND PEARL CITY."

The purpose of this Act is for the construction of a park.

H.B. No. 2348-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE INSTALLATION OF WATER MAIN AND APPURTENANCES IN THE ST. LOUIS HEIGHTS AREA, HONOLULU."

The purpose of this Act is for installation of a main and appurtenances.

H.B. No. 2349-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE REPLACEMENT OF EXISTING WATER MAINS IN THE OLD WAIALAE ROAD AREA, HONOLULU."

The purpose of this Act is for the replacement of water main and appurtenances.

H.B. No. 2352-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE REPLACEMENT AND INSTALLATION OF WATER MAINS AT WILHELMINA RISE AND MAUNALANI HEIGHTS, HONOLULU."

The purpose of this Act is for the replacement of water mains and appurtenances.

H.B. No. 2354-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE REPLACEMENT OF EXISTING WATER MAIN IN PALOLO, HONOLULU."

The purpose of this Act is for the replacement of mains and appurtenances.

H.B. No. 2405-76 entitled: "A BILL FOR AN ACT PROVIDING FOR A WATER LINE FROM SAND ISLAND TO MOKAUEA ISLAND."

The purpose of this Act is to provide for a fresh water line.

H.B. No. 2447-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR GRANTS-IN-AID TO THE BOARD OF WATER SUPPLY, CITY AND COUNTY OF HONOLULU, FOR VARIOUS CAPITAL IMPROVEMENT PROJECTS IN THE KALIHI-KAPALAMA DISTRICTS, OAHU."

The purpose of this Act is to fund four projects.

H.B. No. 2448-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE RESTORATION AND MAINTENANCE OF HALAWA STREAM."

The purpose of this Act is for survey and planning, dredging, clearing and restoration of Halawa Stream.

H.B. No. 2449-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A FLOOD CONTROL DRAIN FOR MOANALUA GARDENS, OAHU."

The purpose of this Act is for a supplemental appropriation.

H.B. No. 2462-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR PLANS AND CONSTRUCTION FOR REPLACEMENT AND INSTALLATION OF SEWER MAINS FOR PALOLO AREA, OAHU."

The purpose of this Act is for plans and construction for the replacement of existing sewer mains.

H.B. No. 2530-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR INSTALLATION OF WATER MAIN AND APPURTENANCES ALONG WAIKALUA ROAD, KANEHOE, OAHU."

The purpose of this Act is for the installation of main and appurtenances.

H.B. No. 2531-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR INSTALLATION OF WATER MAIN AND APPURTENANCES WAIKALUALOKO LOOP ROAD, KANEHOE, OAHU."

The purpose of the Act is to replace existing main and appurtenances.

H.B. No. 2532-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR INSTALLATION OF WATER MAIN AND APPURTENANCES ALONG HALEKOU ROAD,

KANEOHE, OAHU."

The purpose of this Act is for the installation of main and appurtenances.

H.B. No. 2577-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A STORM DRAINAGE SYSTEM IN WAIANAE, OAHU."

The purpose of this Act is for the planning, construction and appurtenances for a storm drainage system.

H.B. No. 2580-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR FLOOD CONTROL PROJECT IN WAIANAE, OAHU."

The purpose of this Act is to develop a flood control project.

H.B. No. 2585-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR GRANTS-IN-AID TO THE BOARD OF WATER SUPPLY, CITY AND COUNTY OF HONOLULU, FOR VARIOUS CAPITAL IMPROVEMENT PROJECTS IN THE TWENTIETH REPRESENTATIVE DISTRICT."

The purpose of this Act is to fund five projects.

H.B. No. 2586-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR INSTALLATION OF WATER MAIN AND APPURTENANCES ALONG FLAMINGO STREET, WAIMANALO, OAHU."

The purpose of this Act is for the installation of main and appurtenances.

H.B. No. 2602-76 entitled: "A BILL FOR AN ACT RELATING TO APPROPRIATIONS FOR A FRESHWATER PARK IN WAHIAWA, OAHU."

The purpose of this Act is for plans and construction of a park.

H.B. No. 2603-76 entitled: "A BILL FOR AN ACT RELATING TO AN APPROPRIATION FOR A WATER FACILITY PROJECT IN THE TWENTY-SECOND REPRESENTATIVE DISTRICT, OAHU."

The purpose of this Act is for planning, engineering and construction of waterline, main and appurtenances.

H.B. No. 2607-76 entitled: "A BILL FOR AN ACT RELATING TO AN APPROPRIATION FOR A WATER FACILITY PROJECT IN THE TWENTY-SECOND REPRESENTATIVE DISTRICT, OAHU."

The purpose of this Act is to replace an existing main and appurtenances.

H.B. No. 2609-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR WATER PROJECTS IN THE COUNTY OF HAWAII."

The purpose of this Act is for planning and incremental development of source, pipelines, booster pump stations and storage facilities and appurtenances.

H.B. No. 2656-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR INSTALLATION OF WATER MAIN AND APPURTENANCES ALONG MAPUMAPU ROAD, KAHALUU, OAHU."

The purpose of this Act is for the installation of main and appurtenances.

H.B. No. 2841-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR WATER SYSTEM IMPROVEMENTS, OAHU."

The purpose of this Act is for plans and construction of mains.

H.B. No. 2899-76 entitled: "A BILL FOR AN ACT MAKING APPROPRIATION FOR GRANT-IN-AID TO THE DEPARTMENT OF WATER SUPPLY, MAUI COUNTY."

The purpose of this Act is to fund five projects through a grant-in-aid.

H.B. No. 2900-76 entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR WATER TREATMENT PLANTS IN THE COUNTY OF MAUI."

The purpose of this Act is to fund three projects.

H.B. No. 2997-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE SOUTH HILO WATER DEVELOPMENT PROJECT, HAWAII."

The purpose of this Act is for the incremental development of the South Hilo water system.

H.B. No. 3027-76 entitled: "A BILL FOR AN ACT RELATING TO FISH PROPAGATION AREAS IN INLAND WATERWAYS."

The purpose of this Act is for the establishment of fish propagation areas.

H.B. No. 3081-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR INCREMENTAL DEVELOPMENT OF WATER PROJECTS IN MAUI COUNTY."

The purpose of this Act is for incremental development of water projects.

H.B. No. 3802-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR INCREMENTAL DEVELOPMENT OF WATER TREATMENT PLANT FACILITIES FOR MAUI COUNTY."

The purpose of this Act is for the incremental development of water treatment plant facilities and source development.

H.B. No. 3143-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR PLANNING AND CONSTRUCTION OF A COMMUNITY SWIMMING POOL IN WAI'AU, OAHU."

The purpose of this Act is for the planning and construction of a swimming pool.

H.B. No. 3159-76 entitled: "A BILL FOR AN ACT RELATING TO MAKING AN APPROPRIATION FOR THE PLANNING AND DESIGN OF THE KALIHI OCEAN RECREATION COMPLEX AT KEEHI PARK, OAHU."

The purpose of this Act is for the planning and design of the Kalihi Ocean Recreation Complex.

H.B. No. 3183-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE WIDENING OF DRAINAGE ON LUALUALEI HOMESTEAD ROAD, WAI'ANAE, OAHU."

The purpose of this Act is for drainage widening.

H.B. No. 3184-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR DRAINAGE WIDENING ON POHAKUNUI AVENUE, NANAKULI, OAHU."

The purpose of this Act is for drainage widening.

H.B. No. 3222-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR CORRECTIONS TO A SEWAGE TREATMENT PLANT, EWA BEACH, OAHU."

The purpose of this Act is for repairs and corrections.

Your Committee on Water, Land Use, Development, and Hawaiian Homes is in accord with the intent and purposes of H.B. Nos. 2144-76, 2292-76, 2348-76, 2349-76, 2352-76, 2354-76, 2405-76, 2447-76, 2448-76, 2449-76, 2462-76, 2530-76, 2531-76, 2532-76, 2577-76, 2580-76, 2585-76, 2586-76, 2602-76, 2603-76, 2607-76, 2609-76, 2656-76, 2841-76, 2899-76, 2900-76, 2997-76, 3027-76, 3081-76, 3082-76, 3143-76, 3159-76, 3183-76, 3184-76, and 3222-76 and recommends that they pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Inaba, Machida and Oda.

SCRep. 285-76 Water, Land Use, Development, and Hawaiian Homes on
H.B. Nos. 2086-76, 2288-76, 2334-76, 2336-76, 2353-76,
2492-76, 2564-76 and 2606-76

H.B. No. 2086-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR

A GRANT-IN-AID FOR PLANS AND DEVELOPMENT OF A PARK IN KALAMA VALLEY, HAWAII KAI, OAHU."

The purpose of this Act is for the construction of a park and other recreational facilities.

This Act is amended by deleting lines 8 through 10, beginning after the word "Oahu".

H.B. No. 2288-76 entitled: "A BILL FOR AN ACT DRAINAGE IMPROVEMENTS, BINGHAM STREET AREA, OAHU, HAWAII".

The purpose of this Act is for drainage improvements.

This Act is amended by deleting "\$150,000" and inserting "\$50,000".

H.B. No. 2334-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE INSTALLATION OF AN AUTOMATIC SPRINKLER SYSTEM ON STATE LAND ENCLOSED BY KAHUALII STREET, WAIPIO POINT ACCESS ROAD AND FARRINGTON HIGHWAY."

The purpose of this Act is for the installation of a sprinkler system.

This Act is amended by inserting "45,000" on line 2; inserting the words "landscaping and other improvements" after the word "system" on line 4; inserting "and vicinity." after Highway on line 5.

H.B. No. 2336-76 entitled: "A BILL FOR AN ACT RELATING TO LIHUE WATER SYSTEM."

The purpose of this Act is to amend the project.

This Act is amended by inserting "Improvements to" Lihue Water System on line 9; deleting in entirety line 10.

H.B. No. 2353-76 entitled: "A BILL FOR AN ACT MAKING A SUPPLEMENTAL APPROPRIATION FOR PLANS AND CONSTRUCTION OF A RETAINING WALL TO PREVENT EROSION ALONG PALOLO STREAM FROM KEANU STREET TO ST. LOUIS DRIVE, HONOLULU, HAWAII."

The purpose of this Act is for the planning and construction of a retaining wall.

This Act is amended by deleting "\$500,000" and inserting "\$1,100,000" on line 2; and by deleting "This sum shall be matched by the City and County of Honolulu" on lines 6 and 7.

H.B. No. 2492-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE ACQUISITION, PLANNING, CONSTRUCTION, AND EQUIPPING OF RAINBOW PARK, MCGREW POINT, OAHU".

The purpose of this Act is for the acquisition, planning, construction and equipping of Rainbow Park.

This Act is amended by inserting "Those funds appropriated but unexpended after acquisition and planning may be transferred to the City and County of Honolulu for construction and equipment for Rainbow Park, McGrew Point, Oahu." on line 8.

H.B. No. 2564-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A STUDY ON BUILDING A RESERVOIR AT WAIKEA-UKA, HAWAII."

The purpose of this Act is for a study.

This Act is amended by inserting "30,000".

H.B. No. 2606-76 entitled: "A BILL FOR AN ACT RELATING TO APPROPRIATIONS FOR THE CONSTRUCTION OF RELIEF DRAINAGE ALONG PUPUKEA ROAD, PUPUKEA, OAHU."

The purpose of this Act is for the construction of a storm drainage.

This Act is amended by deleting "department of transportation", and inserting "City and County of Honolulu."

Your Committee on Water, Land Use, Development, and Hawaiian Homes is in accord

with the intent and purpose of H.B. Nos. 2086-76, 2288-76, 2334-76, 2336-76, 2353-76, 2492-76, 2564-76 and 2606-76, as amended herein, and recommends that they pass Second Reading in the forms attached hereto as H.B. Nos. 2086-76, H.D. 1; 2288-76, H.D. 1; 2334-76, H.D. 1; 2336-76, H.D. 1; 2353-76, H.D. 1; 2492-76, H.D. 1; 2564-76, H.D. 1; and 2606-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Inaba and Oda.

SCRep. 286-76 Water, Land Use, Development, and Hawaiian Homes on
H.B. Nos. 2454-76, 2461-76, 2469-76, 2470-76, 2494-76,
2500-76, 2584-76, 2628-76, 2643-76, 2690-76, 2697-76,
2778-76, 2798-76, 2799-76, 2800-76, 2801-76, 2939-76,
3065-76, 3223-76 and 3437-76

H.B. No. 2454-76 entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR CAPITAL IMPROVEMENT PROJECTS IN THE TWENTY-FIFTH REPRESENTATIVE DISTRICT OF OAHU."

The purpose of this Act is to relocate a recreational complex.

H.B. No. 2461-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR CAPITAL IMPROVEMENT PROJECTS AT MAUNALANI PLAYGROUND, OAHU."

The purpose of this Act is for plans and construction for renovations and improvements of facilities.

H.B. No. 2469-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR CAPITAL IMPROVEMENT PROJECTS AT KANEWAI FIELD, OAHU."

The purpose of this Act is for plans and construction for renovation improvements.

H.B. No. 2470-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR CAPITAL IMPROVEMENT PROJECTS FOR KALAEPOHAKU PARK, OAHU."

The purpose of this Act is for plans and construction for improvements.

H.B. No. 2494-76 entitled: "A BILL FOR AN ACT RELATING TO APPROPRIATIONS FOR CAPITAL IMPROVEMENT PROJECTS FOR THE THIRD DISTRICT, HAWAII."

The purpose of this Act is to fund recreational and water projects.

H.B. No. 2500-76 entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR CAPITAL IMPROVEMENT PROJECTS IN THE CITY AND COUNTY OF HONOLULU."

The purpose of this Act is to fund three projects.

H.B. No. 2584-76 entitled: "A BILL FOR AN ACT RELATING TO GRANTS-IN-AID FOR HAWAII COUNTY."

The purpose of this Act is to fund thirteen projects.

H.B. No. 2628-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR CAPITAL IMPROVEMENT PROJECTS IN THE FIFTEENTH REPRESENTATIVE DISTRICT."

The purpose of this Act is to fund nine projects.

H.B. No. 2643-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR PUBLIC PARKS IN THE 7TH REPRESENTATIVE DISTRICT, OAHU."

The purpose of this Act is to fund two projects.

H.B. No. 2690-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR VARIOUS CAPITAL IMPROVEMENT PROJECTS IN THE COUNTY OF KAUAI."

The purpose of this Act is to fund Kauai projects.

H.B. No. 2697-76 entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR

VARIOUS CAPITAL IMPROVEMENTS IN THE COUNTY OF HAWAII."

The purpose of this Act is to fund thirteen projects.

H.B. No. 2778-76 entitled: "A BILL FOR AN ACT RELATING TO APPROPRIATIONS FOR PUBLIC IMPROVEMENTS IN THE FOURTH REPRESENTATIVE DISTRICT."

The purpose of this Act is to fund four projects.

H.B. No. 2798-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR CAPITAL IMPROVEMENT PROJECTS IN THE ELEVENTH REPRESENTATIVE DISTRICT."

The purpose of this Act is to fund one project.

H.B. No. 2799-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR CAPITAL IMPROVEMENT PROJECTS IN THE ELEVENTH REPRESENTATIVE DISTRICT."

The purpose of this Act is to fund two projects.

H.B. No. 2800-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR CAPITAL IMPROVEMENT PROJECTS IN THE ELEVENTH REPRESENTATIVE DISTRICT."

The purpose of this Act is to fund two projects.

H.B. No. 2801-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR CAPITAL IMPROVEMENT PROJECTS IN THE ELEVENTH REPRESENTATIVE DISTRICT."

The purpose of this Act is to fund one project.

H.B. No. 2939-76 entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR CAPITAL IMPROVEMENT PROJECTS IN THE THIRTEENTH REPRESENTATIVE DISTRICT."

The purpose of this Act is to fund thirty projects.

H.B. No. 3065-76 entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR CAPITAL IMPROVEMENT PROJECTS IN THE FIRST REPRESENTATIVE DISTRICT OF HAWAII."

The purpose of this Act is to fund projects on Hawaii.

H.B. No. 3223-76 entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR CAPITAL IMPROVEMENTS IN VARIOUS PARKS IN THE TWENTY-FIRST REPRESENTATIVE DISTRICT."

The purpose of this Act is to fund three projects.

H.B. No. 3437-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO PROVIDE A GRANT-IN-AID TO THE CITY AND COUNTY OF HONOLULU."

The purpose of this Act is to provide a grant-in-aid.

Your Committee on Water, Land Use, Development and Hawaiian Homes is in accord with the intent and purposes of H.B. Nos. 2454-76, 2461-76, 2469-76, 2470-76, 2494-76, 2500-76, 2584-76, 2628-76, 2643-76, 2690-76, 2697-76, 2778-76, 2798-76, 2799-76, 2800-76, 2801-76, 2939-76, 3065-76, 3223-76, and 3437-76 and recommends that they pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Inaba and Oda.

SCRep. 287-76 Water, Land Use, Development, and Hawaiian Homes on
H.B. Nos. 2208-76, 2295-76, 2361-76, 2434-76, 2446-76,
2450-76, 2779-76, 2994-76, 3000-76, 3405-76, 3406-76 and
3447-76

H.B. No. 2208-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE PURCHASE OF THE ROYAL BREWERY, A REGISTERED HISTORIC PLACE OF THE UNITED STATES."

The purpose of this Act is for the purchase of the Royal Brewery.

H.B. No. 2295-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A LAND SURVEY IN THE ANAHOLA AREA OF KAUAI TO DETERMINE LAND OWNERSHIP BOUNDARIES."

The purpose of this Act is to provide funds for a land survey.

H.B. No. 2361-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE PLANNING AND CONSTRUCTION OF A WAIPAHU CIVIC CENTER AT WAIPAHU, OAHU."

The purpose of this Act is for the planning and construction of a civic center.

H.B. No. 2434-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE PLANNING AND CONSTRUCTION OF A RECREATIONAL COMPLEX IN PEARL RIDGE, OAHU."

The purpose of this Act is for the planning and construction of a recreational complex.

H.B. No. 2446-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A SONAR DETECTING DEVICE."

The purpose of this Act is for the purchase and installation of a sonar detecting device.

H.B. No. 2450-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR PLANNING AND CONSTRUCTION OF A FENCE BETWEEN ALOHA STADIUM LAND AND OHENANA LOOP."

The purpose of this Act is for the planning and construction of a fence.

H.B. No. 2779-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE PLANNING AND CONSTRUCTION OF A NEW STATE OFFICE BUILDING IN KONA, HAWAII."

The purpose of this Act is for the planning and construction of a new state building.

H.B. No. 2994-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR PLANS, DESIGN, CONSTRUCTION AND DEVELOPMENT OF RESIDENTIAL LOTS AT PAUKA-KALO, MAUI."

The purpose of this Act is for plans, design, construction and development of residential lots.

H.B. No. 3000-76 entitled: "A BILL FOR AN ACT RELATING TO AN APPROPRIATION FOR PRELIMINARY INVESTIGATION FOR CONSTRUCTION OF A LAVA BARRIER SYSTEM TO PROTECT HILO."

The purpose of this Act is for surveys and preliminary site investigation.

H.B. No. 3405-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A GRANT-IN-AID FOR PLANS AND DEVELOPMENT OF A PARK IN KULIOUOU VALLEY, OAHU."

The purpose of this Act is for a grant-in-aid.

H.B. No. 3406-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A PARK IN WAIKIKI."

The purpose of this Act is to fund two projects.

H.B. No. 3447-76 entitled: "A BILL FOR AN ACT RELATING TO RENOVATION OF THE NATATORIUM."

The purpose of this Act is to renovate the natatorium.

Your Committee on Water, Land Use, Development and Hawaiian Homes is in accord with the intent and purpose of H.B. Nos. 2208-76, 2295-76, 2361-76, 2434-76, 2446-76, 2450-76, 2779-76, 2994-76, 3000-76, 3405-76, 3406-76, 3447-76 and recommends that these bills pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Inaba and Oda.

SCRep. 288-76 Water, Land Use, Development, and Hawaiian Homes on
H.B. Nos. 2193-76, 2252-76, 2318-76, 2413-76, 2426-76,
2432-76, 2433-76, 2435-76, 2499-76, 2601-76, 2610-76,
2666-76, 2764-76, 2767-76, 2837-76, 2849-76, 2897-76,
3046-76, 3047-76, 3060-76, 3118-76, 3154-76, 3187-76 and
3194-76

H.B. No. 2193-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR LIGHTS AT WAIALUA RECREATIONAL CENTER, OAHU."

The purpose of this Act is for the purchase and installation of mercury lights.

H.B. No. 2252-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR DESIGN AND DEVELOPMENT FOR A PARK IN THE LAHIKINA AREA OF PUNCHBOWL."

The purpose of this Act is for the design and development of a park.

H.B. No. 2318-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A REGIONAL PARK, LEEWARD, OAHU."

The purpose of this Act is for the development of a regional park.

H.B. No. 2413-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE ACQUISITION OF LAND FOR KAIKA POINT PARK."

The purpose of this Act is to complete the acquisition of land.

H.B. No. 2426-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A GRANT-IN-AID FOR PLANS AND DEVELOPMENT OF A PARK IN KALAMA VALLEY, HAWAII KAI, OAHU."

The purpose of this Act is for the planning, designing, development and construction of park, recreational and other public facilities.

H.B. No. 2432-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE PLANNING AND CONSTRUCTION OF A PARK IN WAI'AU, OAHU."

The purpose of this Act is to expand recreational opportunities.

H.B. No. 2433-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR LAND ACQUISITION, PLANNING, AND CONSTRUCTION OF A NEIGHBORHOOD PARK IN WAI'AU, OAHU."

The purpose of this Act is to acquire land, plan, and construct a neighborhood park.

H.B. No. 2435-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE PLANNING AND CONSTRUCTION OF A DISTRICT PARK IN WAI'AU, OAHU."

The purpose of this Act is to transfer appropriations.

H.B. No. 2499-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR PLANS AND CONSTRUCTION OF JOGGING PATHS IN THE STATE."

The purpose of this Act is for the planning and construction of jogging paths.

H.B. No. 2601-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR PLANS AND CONSTRUCTION OF TENNIS COURTS FOR SUNSET BEACH NEIGHBORHOOD PARK, HALEIWA, OAHU."

The purpose of this Act is for the construction of tennis courts.

H.B. No. 2610-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR PLANS AND CONSTRUCTION OF JOGGING PATHS AT KAPIOLANI PARK AND ALA MOANA PARK, HONOLULU, HAWAII."

The purpose of this Act is for the planning and construction of jogging paths.

H.B. No. 2666-76 entitled: "A BILL FOR AN ACT EXTENDING ALA MOANA PARK."

The purpose of this Act is to extend Ala Moana Park.

H.B. No. 2764-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR DESIGN, PLANNING AND CONSTRUCTION OF THE PHASE III INCREMENT OF THE SAND ISLAND STATE PARK."

The purpose of this Act is for the design, planning and construction of the phase III increment.

H.B. No. 2767-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR APPRAISAL, PLANNING, LAND ACQUISITION, AND PARK DEVELOPMENT AT SALT LAKE, OAHU."

The purpose of this Act is to appropriate funds.

H.B. No. 2837-76 entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR PLAYGROUNDS, OAHU."

The purpose of this Act is to fund three projects.

H.B. No. 2849-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR KAHUKU MOTORCYCLE STATE PARK, OAHU."

The purpose of this Act is to fund the motorcycle park.

H.B. No. 2897-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR MAUI GAME MANAGEMENT IMPROVEMENTS."

The purpose of this Act is to supplement a prior appropriation.

H.B. No. 3046-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE HALAWA DISTRICT PARK GYMNASIUM/RECREATIONAL CENTER COMPLEX, OAHU."

The purpose of this Act is to supplement a prior appropriation.

H.B. No. 3047-76 entitled: "A BILL FOR AN ACT RELATING TO APPROPRIATIONS FOR RECREATIONAL FACILITIES."

The purpose of this Act is to fund two projects.

H.B. No. 3060-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE ACQUISITION OF QUEEN'S BEACH, OAHU."

The purpose of this Act is for the acquisition of Queen's Beach for park use.

H.B. No. 3118-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE CONSTRUCTION OF A MULTI-PURPOSE EDUCATIONAL CENTER."

The purpose of this Act is for the construction of an auditorium.

H.B. No. 3154-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE EXPANSION OF THE CIVIC CENTER IN PEARL CITY, OAHU."

The purpose of this Act is for the planning, construction, and expansion of a civic center.

H.B. No. 3187-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR LAND ACQUISITION FOR PARK PURPOSES."

The purpose of this Act is for the acquisition of lots for public park purposes.

H.B. No. 3194-76 entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR LAND ACQUISITION AT WAIHAOLE AND WAIKANE, OAHU."

The purpose of this Act is to acquire land.

Your Committee on Water, Land Use, Development, and Hawaiian Homes is in accord with the intent and purposes of H.B. Nos. 2193-76, 2252-76, 2318-76, 2413-76, 2426-76, 2432-76, 2433-76, 2435-76, 2499-76, 2601-76, 2610-76, 2666-76, 2764-76, 2767-76, 2837-76, 2849-76, 2897-76, 3046-76, 3047-76, 3060-76, 3118-76, 3154-76, 3187-76, and 3194-76 and recommends that they pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Inaba and Oda.

SCRep. 289-76 Legislative Management

Informing the House that House Resolution Nos. 347 to 356, House Concurrent Resolution Nos. 57 to 59, and Standing Committee Report Nos. 290-76 to 318-76, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 290-76 Health on H.B. No. 2935-76

The purpose of the bill is to prevent and treat alcoholism by providing funds for agencies involved in alcoholism treatment and prevention programs.

Testimony presented before your Committee revealed that the incidence of alcoholism may increase with our population and the complexity of social interaction. Presently, the main avenue of services for alcoholics is through private, nonprofit organizations.

However, the extent to which these agencies can provide effective services to the potential 40,000 persons who might need treatment or other services at any point in their lives depends upon the support provided them.

Your Committee, therefore, finds that present services should be strengthened to meet the diversified needs and preferences of Hawaii's problem drinkers.

Your Committee has, therefore, amended the bill to provide the following amounts for the respective agencies involved in alcoholism treatment and rehabilitation:

Hawaii Committee on Alcoholism, Industrial Occupational Program	\$ 86,000
Salvation Army Alcoholism Service Center	48,599
Hawaii Alcoholism Foundation Sand Island Halfway House	27,650
St. Francis Halfway House for Women	38,522
Lanakila Crafts, Inc.	11,401

Kauai Youth Outreach Substance Abuse Coordinator	<u>11,000</u>
TOTAL	\$223,172

Your Committee has deleted the reference made in the original bill to "nine (9)" organizations since your Committee found only five agencies involved in providing services were in need of funding this year. Funds for the Big Island council on addition have been provided for in another bill, and funds for Serenity House are included in Kauai Youth Outreach. Your Committee has further deleted the appropriate items from the original bill.

To encourage greater utilization of the funds appropriated, your Committee has added a proviso which would require the agencies to seek federal matching funds where such funds are available.

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2935-76, as amended herein, and recommends it pass Second Reading in the form attached hereto as H.B. No. 2935-76, H.D. 1 and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 291-76 Health on H.B. No. 2485-76

The purpose of this bill is to develop a continuum of drug abuse services by providing funds for organizations engaged in drug rehabilitation, education, counseling and consultation.

The State is in the process of developing a system of drug addiction services. It is its intent to provide diverse types of services to reach a variant user population. At the same time, a system implies that all services will be interconnected through a referral process, as well as the intensity level of services required.

Presently, the core system of drug treatment services is the private, nonprofit agency. Your Committee therefore feels that such agencies should be supported so that these services can be developed as part of a larger comprehensive drug services system.

Your Committee has amended section 1 of H.B. 2485-76 by providing funding for the following programs:

Palama Settlement In-Community Center	\$ 18,690
Hale O'ulu	15,000
Habilitat	41,081
YMCA Island-Wide Outreach	21,260
Teen Challenge	<u>34,800</u>
TOTAL	\$130,831

Your Committee feels that optimum use should be made of the funds provided. Therefore, your Committee has added a provision which encourages the agencies to seek federal matching funds.

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2485-76, as amended herein, and recommends it pass Second Reading in the form attached hereto as H.B. No. 2485-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 292-76 Judiciary on H.B. No. 2440-76

The purpose of this Act is to provide that the second circuit will have two judges

instead of one.

Your Committee concurs that the overload of cases that the second circuit is constantly faced with, warrants the addition of another judge.

Your Committee on Judiciary is in accord with the intent and purpose of H.B. No. 2440-76, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee, Takamine and Medeiros.

SCRep. 293-76 Consumer Protection and Commerce on H.B. No. 3109-76

The purpose of this bill is to increase the membership of the board of acupuncture from five to seven members.

Under present law, the board of acupuncture consists of five members, two of whom are private citizens and three of whom are acupuncturists. This bill increases the membership to seven members, three of whom would be private citizens and four of whom would be acupuncturists.

The reason for the increase is to have more people sharing the responsibility for conducting the board's oral, practical and clinical examinations. The board has experienced a significant problem in verifying the training of applicants for licensing as acupuncturists as the great majority of such applicants have been trained in the Orient. Schools have changed names, moved or disappeared. Moreover, with the increased interest in acupuncture as a form of treatment, diploma mills have sprung up which offer little or no training before issuing diplomas. Therefore, the board can give little credence to the quality and amount of training which an applicant claims. The only way an applicant's background and training can be properly evaluated is by extensive examination of a practical nature administered by qualified acupuncturists. These examinations are time consuming and require a great amount of a member's time and the addition of two members will help to ease the burden placed on the present board.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.B. No. 3109-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 294-76 Youth and Elderly Affairs on H.B. No. 2768-76

The purpose of this Act is to maintain the information and referral services in the City and County of Honolulu.

After investigation your Committee determined that the sum of \$156,000 is required to sustain this program at its current level from January through June 1977, the end of fiscal year 1977. Since the Commission on Aging has included in its supplemental budget an allocation of \$100,000 for this program, the funding deficit is \$56,600.

Your Committee on Youth and Elderly Affairs is convinced that the aim of this program--locating and identifying all senior citizens in order to determine their needs, assuring them that necessary assistance can be provided and linking them to the appropriate organization to furnish such services--is an important task.

Your Committee was gratified to discover that over 50% of Information and Referral personnel are over 50 years of age, with ten such workers aged 70 and over.

For the foregoing reasons, your Committee feels it is essential to ensure the continued existence of this program. However, in the opinion of your Committee, it is regrettable that the State has been placed in this position of having to choose between the equally unacceptable alternatives of allowing a valuable program to die, or assuming a financial burden which should rightfully be shouldered by the City in order to guarantee the program's survival.

Your Committee on Youth and Elderly Affairs is in accord with the intent and purpose

of H.B. No. 2768-76, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2768-76, H.D. 1.

Signed by all members of the Committee except Representatives Shito, Evans and Medeiros.

SCRep. 295-76 Youth and Elderly Affairs on H.B. No. 3119-76

The purpose of this Act is to expand preventive services in child abuse and neglect provided by the Family Stress Center at Kauikeolani Children's Hospital.

The Hawaii Family Stress Center was established in February, 1976, under the auspices of Kauikeolani Children's Hospital. The program is funded by the Office of Child Development, Department of Health, Education and Welfare, as one of twelve 3-1/2 year demonstration centers sponsored nationwide. The overall purpose of the Office of Child Development in funding the centers is to demonstrate innovative service resources and coordinated systems of services in dealing with the problems of child abuse and neglect.

The purposes of the Center are to develop effective, innovative service approaches in dealing with child abuse and neglect, and to facilitate the development of a coordinated system of services. According to testimony presented by the Department of Social Services and Housing, the Center works closely and effectively with public and private agencies to achieve these goals. Among the projects initiated so far are a shelter care program for spouses and children who have been or are at risk of being abused; the development of a written curriculum for a basic training course in prevention and treatment of child abuse and neglect which has received favorable attention nationwide and is currently being printed for publication; the development of interviewing, screening and follow-up procedures at Kapiolani and Kaiser Hospitals for early identification of high-risk child-abuse families; day care for abused children; and the development of sexual abuse diagnostic and treatment services.

Your Committee finds that while the Hawaii Family Stress Center is demonstrating effective and efficient new ways to assist families with past or potential problems of child abuse and neglect, it is operating only on a small pilot project basis which does not begin to fill the State's needs. The Department of Social Services and Housing, testifying in support of this Act, indicated that despite the fact that the current level of preventive services is inadequate to deal with the known cases of child abuse and neglect and high-risk families, the Department is also aware that there are many more instances of this behavior which are still undetected.

The sum of \$80,000 appropriated by this Act will enable the Center to deal with this problem more effectively by:

- 1) Providing a social worker to do crisis intervention and follow-up counseling for rape cases under 18 years of age;
- 2) Fully implementing the emergency child care nursery plan;
- 3) Providing an additional counselor for Hale Lokahi, an integrated family service center in Waianae which coordinates the activities of several agencies in providing services to families under severe stress and at high risk of child abuse;
- 4) Implementing a child development and mother's therapy program, a component of the original grant plan which was cut due to a decreased Federal allocation; and
- 5) Placing the clearly successful parent aide program under Title XX and double the number of aides.

After conducting a hearing on legislation relating to services relating to child abuse and neglect, your Committee has amended this Act as follows:

SECTION 1, Purpose, has been amended, for purposes of specificity, to state that this Act is to broaden the range and depth of preventive services in child abuse and neglect provided by the Family Stress Center at Kauikeolani Children's Hospital.

SECTION 2 is amended to provide for the appropriation of \$80,000.

Your Committee on Youth and Elderly Affairs is in accord with the intent and purpose of H.B. No. 3119-76, as amended herein, and recommends that it pass Second Reading and be referred to the Committee on Finance in the form attached hereto as H.B. No. 3119-76, H.D. 1.

Signed by all members of the Committee except Representatives
Shito, Evans and Medeiros.

SCRep. 296-76 Agriculture and Higher Education on H.B. No. 2562-76

The purpose of this bill is to appropriate funds for the restoration of the clerk-steno III position for the Molokai Cooperative Extension Service office.

Your Committees find that the two professional and two para-professional cooperative extension workers on Molokai do not have any stenographic assistance. When the previous stenographer vacated the position in 1971, the position was frozen and subsequently deleted from the budget. The lack of secretarial assistance has decreased the time cooperative extension workers have to spend providing services and the delivery of effective services.

Your Committees have amended this bill to include the sum of \$8,500 for restoration of the clerk-steno III position for the Molokai Cooperative Extension Service office.

Your Committees on Agriculture and Higher Education are in accord with the intent and purpose of H.B. No. 2562-76, as amended herein, and recommend that it pass second reading and be referred to the Committee on Finance in the form attached hereto as H.B. No. 2562-76, H.D. 1.

Signed by all members of the Committees except Representatives
Inaba, Ho, Shito, Evans and Ikeda.

SCRep. 297-76 Agriculture on H.B. No. 3263-76

The purpose of this bill is to appropriate \$3 million for the purpose of accelerating and otherwise enhancing the development of agricultural parks.

Your Committee finds two prior appropriations totaling \$4 million have been made available for agricultural park development; the unexpended balance is \$3.8 million.

Your Committee further finds that agricultural parks are anticipated on Kauai, Oahu and the Big Island. In these instances, land acquisition costs will be subject to appraisal and therefore cannot be determined at this time. However, it has been estimated that planning and construction of the Kunia Agricultural Park, alone, could be in the neighborhood of \$6 million. The additional appropriation contained in this bill will insure that the lack of funds does not delay agricultural park development.

Your Committee on Agriculture is in accord with the intent and purpose of H.B. No. 3263-76 and recommends that it pass second reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative
Inaba.

SCRep. 298-76 Agriculture on H.B. No. 3276-76

The purpose of this bill is to provide an appropriation of \$600,000 for the establishment of a banana processing plant on the Island of Oahu.

Your Committee finds the fragmentation of the Hawaii banana industry has been a major hindrance toward providing uniform supply and consistent quality bananas in the local markets. Due to this fragmentation, banana handling, processing, and distribution have been costly, inefficient and have seriously affected the supply and quality of local fruit. Consequently, imported Central American bananas now account for nearly 40 percent of all the bananas consumed in the State.

Your Committee further finds that a centralized grading, packing and treatment, banana facility on Oahu will substantially improve and stimulate the industry to make

it competitive with imported fruit. The proposed facility would be operated as a cooperative and all operation costs borne by the industry.

Your Committee on Agriculture is in accord with the intent and purpose of H.B. No. 3276-76 and recommends that it pass second reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Inaba.

SCRep. 299-76 Agriculture on H.B. No. 3270-76

The purpose of this bill is to amend the supplemental appropriations Act of 1974 to provide greater flexibility in the expenditure of funds for agricultural park development.

Your Committee finds that development of a state-wide agricultural park system continues to be one of the most promising means available to provide Hawaii's farmers with agricultural land, free from urban encroachment at reasonable prices and with long-term tenure.

Your Committee further finds agricultural parks are important for two reasons. First, they are a way of insuring continued agricultural production in Hawaii because they may be used as a site to relocate existing farmers who are about to be forced to move from their present locations because of urban encroachment. Secondly, agricultural parks can be used as development tools to encourage increased agricultural production. A major difficulty in establishing new agricultural enterprises in Hawaii is the high cost of agricultural land. Agricultural Parks can overcome this difficulty thereby encouraging the expansion of existing enterprises as well as the establishment of new operations.

Your Committee further finds the importance of agricultural parks to the future of Hawaiian agriculture necessitates their rapid development. The agency assigned this task should have maximum flexibility in order to proceed as quickly as possible. Because of unforeseen or changing circumstances, it is often difficult to predict the exact amounts necessary for land acquisition, design and construction. Rather than assigning specific sums for specific projects, it would be preferable to maintain a state-wide fund which can be used in whatever way needed.

Your Committee has amended this bill to provide that the Department of Agriculture shall be the expending agency. Without such reference, the expending agency for the \$3 million agricultural park appropriation is the Department of Accounting and General Services.

Your Committee on Agriculture is in accord with the intent and purpose of H.B. No. 3270-76, as amended herein, and recommends that it pass second reading and be referred to the Committee on Finance in the form attached hereto as H.B. No. 3270-76, H.D. 1.

Signed by all members of the Committee except Representatives Inaba, Ho, Morioka, Yap, Kihano and Oda.

SCRep. 300-76 Agriculture on H.B. No. 3272-76

The purpose of this bill is to amend the Supplemental Appropriations Act of 1974 to provide that the \$5 million appropriation for state-wide agricultural water resources development may also be used for the development of agricultural parks. The bill also proposes the deletion of the reference to former sugar and pineapple lands and new communities development. Finally, the bill proposes to delete reference to which portion of the \$5 million shall be used for design and construction.

Your Committee finds that the improvement of agricultural water resources throughout the State is as important to the development of agriculture in Hawaii as is the acquisition of land for agricultural park purposes. The changes proposed by this bill will grant the flexibility necessary to proceed with the rapid development of agricultural parks.

Your Committee on Agriculture is in accord with the intent and purpose of H.B. No. 3272-76, as amended herein, and recommends that it pass second reading and be referred to the Committee on Finance in the form attached hereto as H.B. No. 3272-76, H.D. 1.

SCRep. 301-76

Agriculture on H.B. No. 3261-76

The purpose of this bill is to provide the much needed support and impetus by appropriating \$1,500,000 in allocated amounts for the development of the papaya, anthurium and other cut flowers, and ornamental foliage industries which have contributed significantly to Hawaii's economic stability and which hold exceptional potential for further growth.

In consonance with the purpose of this bill and to develop a planned direction for agriculture in Hawaii, your Committee sponsored two workshops at the Capitol on January 9-10, 1976 and February 20-21, 1976.

Invited participants included administrators, program leaders, researchers and specialists from the departments of agriculture, land and natural resources, planning and economic development, Hawaiian home lands, and the college of tropical agriculture and representatives of various agricultural organizations, including the Hawaii Farm Bureau Federation. Daily attendance ranged from fifty to eighty participants. Each participant provided input for general discussion, and decision making. Computer programming and time were provided by the college of tropical agriculture.

The objectives of these workshops were:

1. To identify specific areas of agricultural growth potentials in Hawaii with existing as well as new short-run as well as long-run potentials.
2. To set priorities among the various growth potentials identified.
3. To determine resources needed and guidelines for appropriate legislative action to implement priorities.

The difficult task of establishing a priority ranking for 72 Hawaiian agricultural commodities was accomplished by utilizing the following nine criteria:

1. Growth potential - The growth potential of the commodity in Hawaii.
2. Current economic value - The current economic value (farm gate and other relevant criteria).
3. Comparative advantage - The extent of the advantage Hawaii enjoys in producing the commodity in terms of climate and technological knowledge base.
4. Per cent increase last five years - The per cent increase in economic value of the commodity in the last five years.
5. Current invested capital - The current capital invested in the production of the commodity.
6. Water use efficiency - The amount of water required to produce one unit of the commodity.
7. Employment - The number of people employed in the industry (farm and processing) based on the commodity.
8. Public welfare - The extent of the benefits the general public derive from the industry based on this commodity in terms of the multiplier effect of dollars generated, taxes collected directly and indirectly, etc.
9. Rural welfare - The extent of the benefits people living in rural areas derive from the industry based on this commodity in terms of the multiplier effect of dollars generated in the area, local taxes collected, etc.

On the basis of these criteria, papaya ranked at the top with anthurium and ornamentals within the top ten of 72 listed commodities.

Based on these thirteen criteria, the computer printouts for papaya, anthurium and ornamentals indicated a great need for support in transportation, market organization, development, and research.

After a flow chart evaluation of the major problem criteria for papaya, anthurium and ornamentals, the workshop participants on February 21 agreed on the following needs:

1. Appropriation for the expansion and development of the papaya industry.
 - a. \$500,000 - market development
 - b. \$500,000 - transportation
 - (1) hypobaric research
 - (2) containerization, packaging
 - (3) storage
 - (4) harvesting
2. Appropriation for the expansion and development of the anthurium industry, including other cut flowers.
 - a. \$100,000 - promotional
 - b. \$ 50,000 - market research
 - c. \$100,000 - transportation
 - d. \$100,000 - production research
3. Appropriation for the expansion and development of the ornamental foliage industry (cuttings, rooted cuttings, potted plants).
 - a. \$150,000 - production and marketing research

At a public hearing held on March 1, 1976, testimony was strongly and unanimously in favor of the bill.

Your Committee on Agriculture is in accord with the intent and purpose of H.B. No. 3261-76, as amended herein, and recommends that it pass Second Reading and be referred to the Committee on Finance in the form attached hereto as H.B. No. 3261-76, H.D. 1.

Signed by all members of the Committee except Representatives
Inaba, Ho, Oda and Yap.

SCRep. 302-76 Agriculture on H.B. No. 3274-76

The purpose of this bill is to provide for the relocation and consolidation of the administrative offices of the department of agriculture from their present locations on Oahu to state-owned land in Halawa Valley, Oahu, and to convert the existing facilities, grounds, and appurtenances at 1428 South King Street, Honolulu, Hawaii, to a living historical museum for the purpose of preserving the rich, colorful, and unique heritage of Hawaiian agriculture and to promote the development of agriculture.

Your Committee on Agriculture is in accord with the intent and purpose of H.B. No. 3274-76 as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3274-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Inaba, Ho, Oda and Yap.

SCRep. 303-76 Agriculture on H.B. No. 3269-76 (Majority)

The purpose of this bill is to amend Section 155-1, Hawaii Revised Statutes, to include corporations that were incorporated in the State of Hawaii primarily for agricultural purposes and have been actively engaged in agricultural production for a minimum of two years, under the definition of "Qualified farmer."

This bill broadens the scope of the law to include corporations that are engaged primarily in agricultural production and increases the base of assisting firms that presently do not qualify under the program. This could also bring about more non-farmer investors to assist agricultural development in the State.

The two year stipulation will help the Department of Agriculture to review their capabilities regarding loan application.

Your Committee on Agriculture is in accord with the intent and purpose of H.B. No. 3269-76 and recommends that it pass second reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Inaba.

Representatives Clarke, Larsen and Lum did not concur.

SCRep. 304-76 Public Assistance and Human Services on H.B. No. 148 (Majority)

The purpose of this bill as amended herein, is to amend the Hawaii Revised Statutes by adding a new chapter which establishes minimum standards of qualification for licensing, and procedures for disciplinary action and license renewal, of persons engaged in the private practice of social work.

The original purpose of the bill provided for the licensure of all persons engaged in social work practice. Your Committee finds the scope of the original purpose too broad to be administered effectively. The term "social work" cannot be precisely defined and may be construed to include the activities of anyone engaged in a helping activity.

H.B. No. 148, as amended herein, limits mandatory licensure to self-employed, independent practitioners of social work who currently are not subject to any regulatory controls. The establishment of minimum requirements for the level of academic achievement and the amount of supervised practical experience, as well as procedures for redress for malpractice of social work, will contribute substantially to protection of the consumer and toward improvement of social services in Hawaii.

Your Committee recommends the following amendments to the bill for purposes of administering and implementing this Act:

- a) Section -1 Purpose: The purpose of this chapter was redrafted for style and clarity.
- b) Section -2 Definitions: Definitions of "licensed social worker" and "accredited school of social work" were added. The definition of "social work practice" was amended substantially to preclude the identification of specific activities as in and of themselves constituting the practice of social work. The unique constellation of particular values, knowledge, purposes and methods distinguish professional social work practice from the practice of other professions.
- c) Section -3 Board of Social Work Examiners: Size and membership were amended to provide for a five member board, composed of two private citizens and three social workers licensed in accordance with this chapter.
- d) Section -4 Terms of Board Members: A separate section was added to provide for length of membership terms. The length of terms were amended as follows: two members to serve one year terms; one member to serve a two year term; two members to serve three year terms.
- e) Section -5 Powers and Duties of the Board: A separate section was added for delineating the powers and duties of the board. As amended herein, these include the adoption of rules for purposes of this chapter; development of standards for licensure; preparation and administration of exams; issuance, renewal, suspension, revocation of licenses; investigation of alleged violations.
- f) Section -6 Licensed Required: This section was amended substantially to provide that two years from the effective date of this chapter, no social worker shall engage in the private practice of social work or so present himself, unless licensed under this chapter.
- g) Section -7 Exceptions: A new section was added which provides for exceptions to licensure for employees of public and private agencies, who practice professional social work solely as part of their job duties.
- h) Section -8 Requirements for License: A separate section was added which delineates the specific requirements for licensure. As amended, these are as follows: the applicant is of good character and adheres to the ethics of the social work profession; holds a doctoral or master's degree from an accredited school of social work; has completed

two years of supervised social work deemed appropriate and acceptable by the board; has passed such examination as may be prescribed by the board.

i) Section 9 Hearings; Procedure: A new section was added delineating general provisions for handling any procedure before the board having to do with refusal to grant or renew a license or for revocation or suspension of a license. This section conforms to regulatory policy in accordance with Chapter 91. This section was substituted for the section previously titled Disciplinary Proceedings.

j) Section -10 Revocation, Suspension, and Renewal of License: This section was substituted for the sections previously titled: Disciplinary Grounds, Revocation, Reinstatement and Renewal of licenses. The reasons for refusal to grant or renew a license or for revocation or suspension, were amended as follows:

- 1) Habitual use of narcotic drugs or any other substance to the extent that the person is unable to responsibly perform the functions of a licensed social worker;
- 2) Gross negligence or manifest incapacity in the practice of social work;
- 3) Wilful failure in any material respect to comply with this chapter or the rules and regulations promulgated pursuant thereto;
- 4) Any unethical practice of social work as defined by the board in accordance with its rules and regulations.

k) Section -11 Fees and Expenses: A new section was added to establish fees for examination and re-registration.

l) Section -12 Exemption from Examination: The provision that an applicant must have a master's or doctoral degree in social work was added to the requirements for exemption from examination if application for license is made during the two year period following the effective date of this chapter. A provision for exemption from examination was added for persons on active military duty on the effective date of this chapter and who were previously employed as a social worker.

m) Section 3. An appropriation of \$21,300 was added for purposes of implementing this Act.

Your Committee on Public Assistance and Human Services is in accord with the intent and purpose of H.B. No. 148, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 148, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Sakima and Evans.

Representative Naito did not concur.

SCRep. 305-76 Energy and Transportation on H.B. No. 2645-76

The purpose of this Bill is to appropriate a sum for the establishment of a pilot school bus project for the Kalaniana'ole Highway corridor in conjunction with staggered school hours.

Your Committee finds that traffic congestion, primarily resulting from school traffic, is a major problem in the Hawaii Kai and Kalaniana'ole Highway area.

The Hawaii Kai Community Council testified that school bus service to the area has been so inadequate that the Hawaii Kai Community Council was forced to hire a private bus company to service students in the area.

Your Committee heard testimony from the Department of Transportation, the Hawaii Kai Community Council, and Spinnaker Isle favoring H.B. No. 2645-76.

Your Committee on Energy and Transportation is in accord with the intent and purpose of H.B. No. 2645-76 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami, Shito, Carroll, Clarke and Evans.

SCRep. 306-76 Energy and Transportation on H.B. Nos. 2696-76, 2802-76, 2806-76, 2839-76, 2860-76, 2971-76 and 3010-76

The purpose of these bills is stated in their titles.

Your Committee finds that H.B. No. 3010-76 entitled: "MAKING AN APPROPRIATION FOR THE NATURAL ENERGY LABORATORY", appropriates the sum of \$750,000 for a project that is included in the executive supplemental budget which designates the Office of the Governor as the expending agency.

Your Committee on Energy and Transportation is in accord with the intent and purpose of H.B. Nos. 2696-76, 2802-76, 2806-76, 2839-76, 2860-76, 2971-76 and 3010-76 and recommends that they pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami, Shito, Carroll, Clarke and Evans.

SCRep. 307-76 Health on H.B. No. 2430-76

The purpose of this Act is to provide a grant-in-aid to Molokai Hospital to maintain medical service standards.

Your Committee finds that without the grant-in-aid Molokai Hospital would not be able to provide adequate medical services to the people of the Island. The appropriation of funds for Molokai Hospital is the first step towards incorporating the hospital into the public state county hospital system. Your Committee believes that service and facility standards need to be maintained for this interim period so the State will not face increased costs due to deteriorating conditions.

In the public interest, your Committee has amended H.B. No. 2430-76 by adding a proviso to require the Department of Health to monitor the expenditure of the funds provided.

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2430-76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2430-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 308-76 Health and Public Assistance and Human Services on H.B. No. 2934-76

The purpose of this bill is to provide an appropriation for the purpose of conducting a study to determine how a statewide community-based, residential program, based on a social rehabilitation or education model, might be developed and phased into the mental health care program of the State of Hawaii.

The study shall propose a plan to show how residential programs may be phased in and hospitalization deemphasized for socially and emotionally disturbed persons. The plan shall identify target groups of patients, establish the types and numbers of programs needed, and supply financial information for cost-benefit studies.

Your Committees have amended this bill by appropriating the sum of \$10,000 for the purpose of conducting this study.

Your Committees on Health and Public Assistance and Human Services are in accord with the intent and purpose of H.B. No. 2934-76, as amended herein, and recommend it pass Second Reading in the form attached hereto as H.B. No. 2934-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 309-76

Youth and Elderly Affairs on H.B. No. 2371-76 (Majority)

The purpose of this Act is to grant to minors who are or who have been married all the rights, duties, privileges and responsibilities provided under our civil law to a person who has reached the age of majority.

Section 577-3, Hawaii Revised Statutes, states "The father and mother of an unmarried minor child are jointly the natural guardians of his person and property...". Presumably, then, the act of marriage emancipates a minor from the care and control of his parents. The law, however, does not expressly give to the married minor those rights and privileges which are no longer held by the minor's parents. There are a number of rights, duties, privileges and obligations basic to legally responsible adults which are withheld, in whole or in part, from minors; and may be exercised, if at all, only by parents, guardians, or, in some cases, the courts. Among these rights and obligations are included the right to bring suit on one's behalf or on behalf of one's child, the right or privilege to act as guardian for another, or to adopt a child (including the child of one's spouse), the right to enlist in the military, establish residence, receive medical care, exercise control over one's earnings, make enforceable contracts, live in the place of one's choice, remain out of school, have unrestricted employment and be legally liable for one's acts.

Your Committee feels that for married minors, the strict requirement of attaining the age of 18 works unnecessary hardship and impedes the minor in assuming the responsibilities inherent in his position. So long as the State permits minors to marry and establish their own households as adults, it has a duty to extend to them the rights necessary to function effectively as adults in this society. Your Committee therefore recommends that married minors be granted the civil rights of adults, apart from drinking and voting, automatically on marriage. This view was supported in testimony submitted by the Hawaii Family Court, Child and Family Services and the Hawaii Medical Association.

Your Committee would like to emphasize that the intent of this Act is to include in the category "married minors" all those minors who are married or who have been married and whose marriage was subsequently terminated, whether due to death, divorce or annulment.

Your Committee has amended page 1, line 8 by adding the words "provided by the civil law" in order to stress that this Act in no way alters the criminal law as it relates to minors who are or who have been married.

Your Committee has also amended SECTION 1 of this Act by extending the Family Court's jurisdiction over emancipated minors to include minors who have not committed acts which would be criminal if committed by adults but who are in unhealthy or harmful situations or have committed acts which while not unlawful show that they are not capable of managing their own lives without help. In effect, it means that neither the police nor the Family Court will have to differentiate between married minors and other minors. We feel that although these minors, through their marriages, have assumed adult civil rights and responsibilities, there should still be some way for the Family Court to intercede on their behalf should their situations warrant such intercession.

Your Committee on Youth and Elderly Affairs is in accord with the intent and purpose of H.B. No. 2371-76, as amended herein, and recommends that it pass Second Reading and be referred to the Committee on Judiciary in the form attached hereto as H.B. No. 2371-76, H.D. 1.

Signed by all members of the Committee except Representatives Shito and Evans.

Representative Sutton did not concur.

SCRep. 310-76

Agriculture on H.B. No. 2556-76

The purpose of this bill is to provide an appropriation for the University of Hawaii College of Tropical Agriculture to conduct necessary analysis and residue tests in order to obtain Federal registration of pesticide products needed in the production of special minor crops unique to the State of Hawaii.

Your Committee finds that even though there are many EPA registered pesticide products available, they have not been registered or cleared for use on minor crops in Hawaii.

The State Department of Agriculture has been granted an interim certification of approval from the United States Environmental Protection Agency to register pesticide products for special local needs. In order to register, the Department of Agriculture utilizes the scientific and technical expertise of the College of Tropical Agriculture to conduct analysis and residue tests to obtain the necessary data for the minor crops.

Your Committee has amended this bill to provide an appropriation of \$15,000.

Your Committee on Agriculture is in accord with the intent and purpose of H.B. No. 2556-76, as amended, and recommends that it pass second reading and be referred to the Committee on Finance in the form attached hereto as H.B. No. 2556-76, H.D. 1.

Signed by all members of the Committee except Representatives
Inaba, Kawakami, Morioka, Kihano, Oda and Lum.

SCRep. 311-76 Agriculture on H.B. No. 3273-76

The purpose of this bill is to provide \$15,500 for the assessment of economic significance of and evaluate alternative pesticides for ant control in pineapple culture and an appropriation therefor.

In order to perpetuate the commercial growing of pineapple as a major industry in Hawaii, the control of the pineapple wilt caused by feeding of mealy bugs must be realized. The control of ants which has a commensal relationship with the mealy bugs plays an important and integral part in the control of the disease.

The only pesticides, Mirex and Heptachlor, which have long residual efficacy face the possible use cancellation by the United States Environmental Protection Agency. This necessitates that immediate field and laboratory research be conducted for alternative pesticides.

Your Committee has confirmed the findings outlined in Section 1 of this bill. In addition, a representative of the Hawaiian Sugar Planters Association testified that the continued utilization of Mirex is important to the economic health of the sugar industry. Ants are a major problem in the development of drip irrigation for sugarcane. For some unknown reason ants chew the polyethylene tubings used in drip irrigation systems. They especially like to enlarge the orifices that deliver water to the plants. This enlargement causes an uneven distribution of water and when ant damage is severe, parts of fields do not get irrigated because water pressure cannot be maintained at normal levels.

Your Committee also heard testimony from a representative of the Home Builders Association supporting approval of this bill. The chemical, Heptachlor, is used by the home construction industry for the control of the Formosan subterranean termite. The loss of this registered termiticide will severely affect the housing and construction industry in Hawaii.

Your Committee has amended this bill by changing the sum to be appropriated from \$15,500 to \$17,000.

Your Committee on Agriculture is in accord with the intent and purpose of H.B. No. 3273-76, as amended herein, and recommends that it pass second reading and be referred to the Committee on Finance in the form attached hereto as H.B. No. 3273-76, H.D. 1.

Signed by all members of the Committee except Representatives
Inaba, Kawakami, Morioka, Kihano, Oda and Lum.

SCRep. 312-76 Agriculture on H.B. No. 2566-76

The purpose of this bill is to appropriate \$25,000 for a second plant crop county agent at the Cooperative University Extension Center located in Kona to provide the extension center additional capability of working with farmers, particularly in the area of crop diversification.

The Kona district has been without a plant crop agent for two years, although the one position authorized will be filled by April 1, 1976. In the meantime, many farmers, while maintaining the traditional coffee and macadamia nut crops, have begun to expand into other non-orchid crops such as vegetables, and flowers, and the University's

experimental station is ready to begin experiments with possible cash crops of the future, such as avocado.

Kona, thus, now represents an agricultural area with an extremely diversified base. It is thought by the College of Tropical Agriculture and the Kona Farm Bureau that the duties of the crop plant agent in Kona have been vastly expanded with this emphasis on diversification, and that one crop agent position for the area is not sufficient to allow the time needed to help promote new, profitable agricultural industries.

Your Committee believes the addition of a second agent in Kona would be a significant contribution to the orderly and sound growth of agriculture.

Your Committee on Agriculture is in accord with the intent and purpose of H.B. No. 2566-76 and recommends it pass second reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Inaba, Kawakami, Morioka, Kihano, Oda and Lum.

SCRep. 313-76 Agriculture on H.B. No. 2560-76

The purpose of the bill is to appropriate \$30,000 to hire a research staff and equipment to investigate a viable greenhouse industry in the State of Hawaii in an effort to lessen the state's dependency on import vegetables during the winter months.

Five years ago, only a few vegetable growers were in greenhouse production with approximately 75,000 sq. ft. That figure has increased tenfold. However, adequate research has not been conducted to determine if the industry can produce predictable amounts of quality produce, such as tomatoes, lettuce, cucumbers and other vegetables, predictability being the key to enlarging the industry.

Greenhouse vegetable plant research has been given a high priority by the Vegetable Crops Task Force. Research into growing cycles, proper fertilization and irrigation will be conducted at experiment stations on all the islands, including three on the Island of Hawaii.

Your Committee believes this research program could eventually lead to a reduction in vegetable imports and to the export of some crops, and would thus represent a strengthening of our agricultural base.

Your Committee on Agriculture is in accord with the intent and purpose of H.B. No. 2560-76 and recommends it pass second reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Inaba, Kawakami, Morioka, Kihano, Oda and Lum.

SCRep. 314-76 Finance on H.B. No. 621

The purpose of this bill is to eliminate the requirement that insurance solicitors pay the general excise tax amounting to two per cent of commissions on insurance premiums.

Presently, insurance solicitors are assessed a two per cent general excise tax on their commissions from the sale of insurance. It is common practice that the excise taxes levied under Chapter 237 are "passed on" to consumers. However, insurance solicitors are unable to pass on the tax because under the Hawaii insurance laws, the Insurance Commissioner approves rates for various types of insurance coverages and upon approval, the insurance must be sold at the approved rates without any added charges.

Your Committee agrees that because of their unique situation, insurance solicitors should be relieved of the general excise tax.

Your Committee has amended Section 5 by changing the effective date from "July 1, 1975" to "July 1, 1976".

Your Committee on Finance is in accord with the intent and purpose of H.B. No. 621, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form

attached hereto as H.B. No. 621, H.D. 2.

Signed by all members of the Committee.

SCRep. 315-76 Finance on H.B. No. 2226-76

The purpose of this bill is to increase licensing and examination fees for the insurance industry assessed by the Insurance Division of the Department of Regulatory Agencies.

The licensing and examination fees for the insurance industry were last raised in 1964 and the costs of the Insurance Division have increased substantially since that time. The increased fees proposed by this bill will provide a more realistic relationship between the revenue generated by such fees and the cost of services rendered by the Insurance Division.

Your Committee is in agreement that an increase in fees is justified and will not place an undue burden on licensees.

Your Committee has amended the fee schedule (on page 3 of the bill) for renewal of a certificate of authority or a license under the revised subsection (2) of Section 431-316 (HRS) as follows:

1. Change "\$200" to "\$300" for an authorized insurer.
2. Change "\$25" to "\$100" for a regularly licensed general agent.
3. Change "\$25" to "\$75" for a regularly licensed subagent.
4. Change "\$15" to "\$75" for a regularly licensed non-resident broker.
5. Change "\$10" to "\$60" for a regularly licensed solicitor.
6. Change "\$15" to "\$75" for a regularly licensed independent adjuster.
7. Change "\$15" to "\$75" for a regularly licensed public adjuster.
8. Change "\$15" to "\$75" for a licensed surplus line broker.

Your Committee on Finance is in accord with the intent and purpose of H.B. No. 2226-76, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2226-76, H.D. 1.

Signed by all members of the Committee.

SCRep. 316-76 Finance on H.B. No. 2227-76

The purpose of this bill is to increase the fees for safety identification decals or emblems and for safety inspections for motor carriers or private carriers under the jurisdiction of the Public Utilities Commission.

Under present law, motor carriers or private carriers under the jurisdiction of the Public Utilities Commission are required to pay an annual fee of \$3 for each motor vehicle for decals and emblems required during the year. However, the 1968 Highway Safety Act, as amended, requires semiannual safety inspection of all vehicles subject to the commission's jurisdiction. This requires that two decals or emblems be issued for each motor vehicle annually and this bill would assess a \$3 fee for each decal or emblem.

Further, the present law provides for a charge of \$3 for a safety inspection. Since this \$3 charge was authorized by law in 1961, the cost of inspection equipment and qualified personnel employed by inspection stations has increased. This bill would increase the present \$3 safety inspection fee to \$7 to cover the increased costs and to equitably compensate the inspection stations who must now perform more complex duties.

Your Committee is in agreement that the increase in fees authorized by this bill are justified.

Your Committee on Finance is in accord with the intent and purpose of H.B. No. 2227-76 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 317-76 Finance on H.B. No. 2537-76

The purpose of this Act is to provide for representation of each county on the Motor Vehicle Industry Licensing Board.

Under present law there is no requirement that the members of the seven member Motor Vehicle Licensing Board be residents of any particular county. This bill would ensure that each county is represented on the Board by requiring that four members be from the city and county of Honolulu and that there be one member from each of the counties of Kauai, Maui, and Hawaii.

This bill also stipulates that members will receive no compensation for their services but will be reimbursed for any necessary expenses incurred in the performance of their duties.

Your Committee on Finance is in accord with the intent and purpose of H.B. No. 2537-76, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 318-76 Youth and Elderly Affairs on H.B. No. 2929-76

The purpose of this Act is to conform Chapter 352 pertaining to the Hawaii youth correctional facility with the change in the family court Act, Chapter 571, Hawaii Revised Statutes, to extend the jurisdiction of the family court over persons up to their nineteenth birthday so that persons may still be committed to the facility for a period up to their nineteenth birthday.

Your Committee strongly suggests that because this Act is so closely tied to the actions taken in H.B. No. 2832-76, this Act should not be passed by the 1976 Legislative Session unless H.B. No. 2832-76 is likewise enacted.

Your Committee has amended this Act throughout so as to substitute for the word "jail" the more accurate "adult correctional facility".

Your Committee has substituted the term "Hawaii youth correctional facility" on page 5 line 12 for "custody of the director of social services and housing" because both the adult and youth facilities are under the aegis of the department of social services and housing and the original wording was therefore unclear.

Your Committee on Youth and Elderly Affairs is in accord with the intent and purpose of H.B. No. 2929-76, as amended herein, and recommends that it pass Second Reading and be referred to the Committee on Judiciary in the form attached hereto as H.B. No. 2929-76, H.D. 1.

Signed by all members of the Committee except Representatives
Shito and Evans.

SCRep. 319-76 Legislative Management

Informing the House that House Resolution Nos. 357 to 365, House Concurrent Resolution Nos. 60 and 61, and Standing Committee Report Nos. 320-76 to 340-76, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 320-76 Agriculture on H.B. No. 3368-76

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

Your Committee has converted this short form bill to long-form to provide for a feasibility study to be conducted by the Department of Planning and Economic Development for the establishment and operation of a farmers' market at Fort Armstrong, Oahu, or other sites on Oahu.

Your Committee finds the idea of a farmer's market is not new and this Bicentennial Year should serve to commemorate the significant role of farmers' markets in the growth and development of our nation. As cities grew, transportation became more sophisticated and large-scale distribution centers emerged throughout the country to service super markets. The role of the farmers' markets was nearly all but completely eliminated. Today, farmers' markets are primarily located in southern states adjacent to large fruit and berry producers.

Your Committee further finds that in recent years there has been a trend throughout the country whereby farmers' markets are again emerging and participating in the distribution of farm products. High food costs, resulting primarily in increasing marketing costs are probably the main reason for this trend. States such as Florida, Georgia, and Texas maintain and operate state-owned farmers' markets.

Your Committee has amended this bill to appropriate moneys for a feasibility study for the establishment and operation of a farmers' market at Fort Armstrong or other sites on Oahu.

Your Committee further finds that Fort Armstrong, Oahu, appears to be a suitable site for the establishment of a farmers' market; however, it is possible that other sites may be equally suitable and may be selected in lieu of Fort Armstrong in consultation with the Hawaii Farm Bureau Federation.

Your Committee on Agriculture is in accord with the intent and purpose of H.B. No. 3368-76 as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3368-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives
Inaba, Ho, Oda and Yap.

SCRep. 321-76 Consumer Protection and Commerce on H.C.R. No. 14

The purpose of this concurrent resolution is to request the Director of Regulatory Agencies, with the assistance of the attorney general and the public utilities commission, to undertake a thorough review of the regulation of cable television systems and to undertake changes necessary to overcome deficiencies and shortcomings identified by the Legislative Auditor in his recent audit of the public utilities program.

Your Committee is in agreement with the Legislative Auditor that there are many deficiencies and shortcomings presently existing in the cable television systems industry, including the lack of, or inadequate, policies, rules, and administrative and enforcement machinery. These deficiencies need to be corrected in order to expedite the expansion of cable television services throughout the state and to insure delivery of quality service to consumers.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of H.C.R. No. 14 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 322-76 Energy and Transportation on S.B. No. 1043

The purpose of this bill is to amend Section 249-2, Hawaii Revised Statutes, to allow the counties to base their motor vehicle tax not only on the vehicle's weight, but also on the basis of whether or not the vehicle is used for commercial activity.

At present, vehicles are taxed according to weight and in two categories: (1) those designed solely for carrying passengers, and (2) those designed for carrying property or for purposes other than the carriage of passengers. All counties are currently levying higher rates on the second category. The bill would allow the counties to levy higher rates on vehicles in the first category which are utilized for commercial purposes. The bill would also enable the counties to treat more equitably owners of vehicles in the second category. For example, the owner of a pickup truck who uses the truck for commercial purposes may be taxed at higher rates than the owner of a similar pickup truck used for personal non-commercial purposes.

Your Committee on Energy and Transportation is in accord with the intent and purpose of S.B. No. 1043, and recommends that it pass Second Reading and be referred to the

Committee on Finance.

Signed by all members of the Committee except Representatives
Kawakami, Shito, Carroll, Clarke and Evans.

SCRep. 323-76 Health on H.B. No. 2796-76

The purpose of the Act is to ensure greater public participation in health planning by establishing subarea planning councils.

In 1975, the Legislature enacted the Health Resources and Development Act in accordance with federal law to develop a health planning system. The intent of the law was to ensure the greatest amount of public participation in health planning. To do this, a system in which local planning agencies would be responsible for developing health plans in designated areas was established. The local agency health plans would then become part of the state health plan which would serve as the statewide guide for the development of health services.

Because of its particular geographic and population characteristics, Hawaii was exempted under the federal law from forming local health planning agencies and the state planning agency was designated the agency responsible for health planning. As a result, Hawaii had one agency for health planning.

Your Committee feels that with the designation of the state agency as the planning agency, public participation in health planning has been limited. Your Committee therefore feels that a mechanism should be established to increase such participation.

House Bill 2796-76 which establishes subarea councils to conduct health planning activities and be advisory to the health planning agency and the statewide health coordinating council could provide such an avenue for public input.

Testimony presented before your Committee revealed that further clarification of the role and responsibilities of the subarea councils was needed. Your Committee has therefore amended House Bill 2796-76 as follows:

- (1) Section 323D- (b) has been added to establish provisions for the appointment of subarea councils by the governor. The subarea council would then nominate a person from its membership for gubernatorial appointment to the statewide health coordinating council. The membership of the subarea councils will be representative of health providers, consumers, and other public or private officials. Members of the subarea councils will not be compensated but will be reimbursed for expenses incurred in the performance of their duties.
- (2) Section 323D- relating to the functions of the subarea councils has been clarified and additional functions have been added. These clarifications and additional duties include development of a subarea health plan to be incorporated in the state health plan, reviewing of the state health plan, annual implementation plan and the budget of the respective subareas with the intent of making recommendations to the statewide council, and advising the state agency on the certificate of need provisions.
- (3) Section 323D-2 relating to definitions has been amended to by adding a definition for "subarea advisory planning councils." Section 323D-12 relating to state agency functions has been amended by adding a provision to clarify the relationship between the state agency and the subarea councils. Section 323D-13 relating to the statewide health coordinating council has been amended to provide that its members shall include subarea councils' representatives.

Your Committee on Health is in accord with the intent and purpose of H.B. No. 2796-76, as amended herein, and recommends it pass Second Reading in the form attached hereto as H.B. No. 2796-76, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative
Evans.