

FORTY-SECOND DAY

Friday, March 17, 1978

The House of Representatives of the Ninth Legislature of the State of Hawaii, Regular Session of 1978, convened at 11:00 o'clock a.m., with the Speaker presiding.

The Divine Blessing was invoked by Reverend James Drew of Our Lady of Good Counsel Church, after which the Roll was called showing all members present with the exception of Representatives Baker, Blair, Carroll, Cayetano, Ikeda, Larsen, Machida, Nakamura, Narvaes, Segawa, Uwaine and D. Yamada, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Forty-First Day.

On motion by Representative Yuen, seconded by Representative Kamalii and carried, reading of the Journal was dispensed with and the Journal of the Forty-First Day was approved.

GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 92 to 95) were read by the Clerk and were disposed of as follows:

A message from the Governor (Gov. Msg. No. 92) transmitting copies of a progress report on the Hawaii Coastal Zone Management (CZM) Program coordinated approval process project and a "Register of Government Permits Required for Development", which was prepared pursuant to House Resolution No. 14, was placed on file.

A message from the Governor (Gov. Msg. No. 93) transmitting copies of the "Hawaii Coastal Zone Management (CZM) Program Annual Report", prepared by the Department of Planning and Economic Development, was placed on file.

A message from the Governor (Gov. Msg. No. 94) transmitting copies of a report prepared by the Department of Planning and Economic Development entitled: "Energy Resources Coordinator 1977 Annual Report", pursuant to Section 196-4(11) of the Hawaii Revised Statutes, was placed on file.

A message from the Governor

(Gov. Msg. No. 95) transmitting a proposed Concurrent Resolution relating to the functional plan for agriculture, which was prepared in accordance with the provisions of Act 170, Session Laws of Hawaii 1977, was placed on file.

DEPARTMENTAL COMMUNICATION

A communication from Charles G. Clark, Superintendent, Department of Education (Dept. Com. No. 15) transmitting copies of a report prepared by the Department of Education in response to Senate Resolution No. 8, requesting the Department of Education to review and reassess the operation of the school-by-school budget display of funding, was read by the Clerk and was placed on file.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 177 and 178) were read by the Clerk and were disposed of as follows:

A communication from the Senate (Sen. Com. No. 177) returning House Concurrent Resolution No. 96, which was adopted by the Senate on March 16, 1978, was placed on file.

A communication from the Senate (Sen. Com. No. 178) returning House Concurrent Resolution No. 97, which was adopted by the Senate on March 16, 1978, was placed on file.

MISCELLANEOUS COMMUNICATIONS

The following communications (Misc. Com. Nos. 13 and 14) were read by the Clerk and were disposed of as follows:

A communication from Edgar F. Kaiser (Misc. Com. No. 13) acknowledging receipt of a copy of House Resolution No. 390, was placed on file.

A communication from Patrick H. Deleon, Ph.D., M.P.H., Legislative Assistant to Senator Daniel K. Inouye (Misc. Com. No. 14) acknowledging receipt of a copy of House Resolution No. 362, honoring and commending the University of Hawaii, Cooperative Extension Service on its Fiftieth Anniversary, was placed on file.

At 11:05 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:06 o'clock a.m., the Chair directed the Clerk to note the presence of Representatives Blair, Carroll, Ikeda, Narvaez and Uwaine.

At this time, the following introductions were made to the members of the House:

Representative Garcia introduced 74 fifth grade students from Kaiulani Elementary School. They were accompanied by their teachers, Mrs. Bernice Chung, Mrs. Patsy Sakai and Mrs. Veronica Wong.

Representative Morioka introduced 81 fifth grade students from Aliiolani Elementary School. They were accompanied by their teachers, Mrs. Ono, Mrs. Sato and Mrs. Hamilton, and parents, Mrs. Tanaka, Mrs. Kobayashi and Mrs. Saito.

Representative Lunasco introduced 35 third grade students from King School in Wahiawa. They were accompanied by their teachers, Mrs. Lily Sugimoto and Ms. Lana Oishi.

Representative Peters introduced 13 students from Waianae High School. They were accompanied by their teacher, Mr. Raymond Au.

Representative Kunimura introduced the following people: Mr. and Mrs. John Ackerman from Massachusetts; Mr. and Mrs. Jack McGregor from Kansas City; his sister-in-law, Mrs. Rachel Fu; and Mr. Arinaga from Kauai.

Representative Uechi introduced the Chairman of the Agriculture Committee of the California Assembly, Assemblyman John Thurman, and Mrs. Thurman and their daughter, Susan. They were accompanied by Mr. Roy Polk of AmFac, Inc.

The Chair then appointed Representatives Uechi, Kihano, Kondo, Yuen, Ajifu and Kamalii to escort Assemblyman Thurman to the rostrum.

The Chair then presented Assemblyman Thurman to the members of the House, stating:

"Members of this House, ladies and gentlemen, it is indeed my distinct privilege to introduce to you Assemblyman John Thurman from the California

Assembly."

Assemblyman Thurman then addressed the members of the House, stating:

"Thank you, Mr. Speaker and honorable Representatives. It is absolutely beautiful here, and I bring a warm welcome from all of my 79 colleagues from California.

We have been watching with a great deal of interest of what agriculture has been doing in the islands, and we have come over to look at some of that first hand and I return with a lot of interest the Governor's report that he just met with the President of the United States on what you are doing with your economy. We, in California, produce approximately 25% of all the fruits and vegetables, but we have not done anything like you people have done. We are hoping we can go back and give some leadership in our State and try to accomplish just a small amount of what you fellows have done over here.

Thank you very much for giving me the opportunity to address such an august body and again, I bring an aloha from the Speaker and the members of our Assembly.

Thank you very much."

The Chair responded, stating:

"The Chair also extends Speaker McCarthy and members of the California Assembly our aloha and best wishes and we welcome any member of your Assembly to visit our great State.

Thank you for your visit."

Representative Carroll introduced Mr. Melvin Masuda, a good friend of his.

At 11:18 o'clock a.m., the Chair declared a recess, subject to the call of the Chair, "for the purpose of extending our personal greetings to the Thurmans."

Upon reconvening at 11:25 o'clock a.m., the Chair directed the Clerk to note the presence of Representatives Cayetano, Machida, Segawa and D. Yamada.

At this time, Representative Ajifu introduced 5 students from Olomana School. They were accompanied by their counselors, Linda Bulgo and Lei Hirano.

SUSPENSION OF RULES

On motion by Representative Yuen, seconded by Representative Kamalii and carried, the rules were suspended for the purpose of considering a resolution.

INTRODUCTION OF RESOLUTION

A resolution (H.R. No. 498) congratulating Kaimuki High School student winners and their coaches for winning statewide championship honors in the 18th Annual Electric Motor Building Contest was jointly offered by Representatives Kiyabu, Abercrombie, Aki, Blair, Caldito, Campbell, Cayetano, Dods, Evans, Garcia, Inaba, Kawakami, Kihano, Kondo, Kunimura, Larsen, Lunasco, Machida, Medeiros, Mina, Mizuguchi, Morioka, Naito, Narvaes, Peters, Say, Segawa, Shito, Stanley, Sutton, Suwa, Takamine, Toguchi, Uechi, Ueoka, Ushijima, Uwaine, D. Yamada, K. Yamada and Yuen and was read by the Clerk.

On motion by Representative Kiyabu, seconded by Representative Naito and carried, H.R. No. 498 was adopted.

Prior to introducing the winners of the contest, Representative Kiyabu stated:

"It is indeed an honor to introduce the winning team to this honorable body. Kaimuki High School's Electronic Club students have again upheld the glory of their reputation of being the fastest and the best motor building students in the State. For the seventh consecutive year, under the leadership of their teachers, Mr. Randy Molina and Mr. Tom Arakaki, these students have trained, practiced, and triumphed in the Annual Statewide Electric Motor Building Contest."

Representative Kiyabu then introduced the students who placed first through third in the three divisions of the contest as follows: Judy Takasane, first place in the Novice Girls Division; Wayne Katayama, first place, Bennett Lum, second place, and Wesley Ishizaki, third place, in the Novice Boys Division; Robert Mikuni, first place, and Douglas Arakaki, third place, in the Advanced Division. They were accompanied by Mr. Randall Molina, their teacher and coach.

Leis were presented to the honorees by Representatives Peters, Naito, Stanley, Ikeda, Kamalii and Evans,

and Representatives Morioka, Say and Kiyabu presented them with certified copies of the resolution.

Representative Kiyabu then asked the rest of the Kaimuki High School team members who were seated in the gallery, many of whom placed in the contest, to stand and be recognized.

At 11:40 o'clock a.m., the Chair declared a recess, subject to the call of the Chair, for the purpose of extending personal congratulations to the students.

The House of Representatives reconvened at 11:45 o'clock a.m.

ORDER OF THE DAY

DEFERRED RESOLUTIONS

The following resolutions (H.R. Nos. 495 to 497) and concurrent resolution (H.C.R. No. 101) were disposed of as follows:

<u>H.R. No.</u>	<u>Referred to:</u>
495	Committee on Water, Land Use, Development and Hawaiian Homes, then jointly to the Committees on Consumer Protection and Commerce and Judiciary
496	Committee on Energy and Transportation, then to the Committee on Finance
497	Committee on Judiciary, then to the Committee on Legislative Management

H.C.R. No.

101	Committee on Corrections and Rehabilitation, then to the Committee on Higher Education, then to the Committee on Finance
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COMMITTEE REASSIGNMENT

The following Senate bill (S.B. No. 221) was disposed of as follows:

<u>S.B. No.</u>	<u>Referred to:</u>
221	Committee on Housing

SUSPENSION OF RULES

On motion by Representative Yuen, seconded by Representative Kamalii and carried, the rules were suspended for the purpose of taking up bills

on Third Reading on the basis of a modified consent calendar.

UNFINISHED BUSINESS

Stand. Com. Rep. No. 673-78
on S.C.R. No. 28, SD 1 (Deferred
from March 16, 1978):

Representative Cayetano moved that the report of the Committee be adopted and S.C.R. No. 28, SD 1, be adopted, seconded by Representative Takamura.

Representative Campbell then rose to speak in favor of the resolution, stating:

"Mr. Speaker, the Committee Report states: 'The purpose of this concurrent resolution is to request President Carter and the Congress to provide Hawaii its rightful share of the U.S. Department of Energy's proposed budget for the Strategic Petroleum Reserve, as a safeguard against the consequences of a possible interruption of the petroleum supply.'"

Hawaii is especially vulnerable to such energy crises due to its almost total dependence on imported petroleum for its energy needs.

Mr. Speaker, over a year ago, March 3, 1977, we introduced House Resolution No. 459 entitled, 'Relating to Oil Reserves for the State of Hawaii.' The resolution which was adopted by this body supported the Governor's request to President Carter that ten million barrels of petroleum be stockpiled in Hawaii. The copy of the resolution was sent to James Schlesinger, Director of the Federal Energy Administration which is now called the Department of Energy.

Belated as it might be, Senate Concurrent Resolution No. 28, Senate Draft 1, which we are considering today, is an added but welcome voice calling upon the President and Congress to store ten million barrels of oil in Hawaii for emergencies.

On Thursday, August 4, 1977, in Detroit at the National Conference of State Legislators, attended by well over two thousand state lawmakers, the unique oil problem facing Hawaii was presented to them and Secretary of Commerce, Juanita Krepps, who promised to personally bring Hawaii's oil problem to the attention of Secretary Schlesinger.

Several mainland legislators expressed interest in Hawaii's unique oil problem. One legislator said, 'if there is anything we could do to help, let us know.' So, on December 5, 1977, a letter was sent to state legislative leaders from around the country urging that they write to President Carter requesting that he provide in his Federal budget funds for storage of ten million barrels of oil in Hawaii.

Nine Presidents of the Senate, thirteen Speakers of the House, and a host of other legislative leaders representing twenty states sent letters and telegrams to President Carter in support of Hawaii.

Typical of the letters to the President from legislative leaders is the one from the Speaker of the House of the state of Michigan, Bobby Crim; and he writes in part, 'I believe that the Hawaii proposal warrants serious consideration by the Department of Energy and I offer my support to its approval. I am confident that the Federal government is committed to meeting the special energy needs of each state that would otherwise suffer in the event of an energy emergency. I will watch with interest for the Department of Energy's decision with regard to the Hawaii problem.'

The White House response to Speaker Crim might be of interest to this body - a portion reads as follows: 'The fiscal year 1979 Budget does not contain funding for storage of any portion of the Strategic Petroleum Reserve (SPR) in Hawaii. However, during the past few months, specific requirements for local SPR storage on Hawaii have been reviewed. We are continuing to study a range of options for providing such protection at the lowest possible cost.'

Mr. Speaker, when Hawaii's oil concerns were not put in the budget, another letter was sent to legislative leaders on the mainland asking them to write to their Congressional delegation urging that Hawaii's oil concerns be put in the budget. In spite of the fact that our letter was sent out just a few weeks ago, twenty-two legislative leaders, representing nineteen states, have already written to their Congressional leaders urging support for Hawaii's cause.

Kevin B. Harrington, President of the Senate of the State of Massachusetts, sent a letter to the New England Congressional delegation urging them to support us. As a result of strong backing from

so many legislative leaders from around the country, several congressmen have already committed themselves to placing Hawaii's oil requests in the budget.

Time limitation does not permit me to share many of the communications with you at this time. But, the volume and tone of many of the letters give me an optimistic feeling that Hawaii will get oil storage in order to meet an emergency.

Senate Concurrent Resolution No. 28, Senate Draft 1, is a timely addition to forces already at work to get needed emergency oil for Hawaii.

Therefore, I urge its adoption."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.C.R. No. 28, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING PRESIDENT CARTER AND THE CONGRESS TO PROVIDE HAWAII ITS RIGHTFUL SHARE OF THE U.S. DEPARTMENT OF ENERGY'S PROPOSED BUDGET FOR THE STRATEGIC PETROLEUM RESERVE", was adopted.

At 11:59 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 12:05 o'clock p.m., the Chair directed the Clerk to note the presence of Representative Larsen.

Stand. Com. Rep. No. 679-78 on S.B. No. 1129, HD 1 (Deferred from March 16, 1978):

On motion by Representative Stanley, seconded by Representative Inaba and carried, the report of the Committee was adopted and S.B. No. 1129, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COFFEE INSPECTORS", having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives Baker, Nakamura and Segawa being excused.

The Chair directed the Clerk to note that S.B. No. 1129 had passed Third Reading at 12:06 o'clock p.m.

STANDING COMMITTEE REPORTS

Representative Cayetano, for the Committee on Energy and Transportation, presented a report (Stand. Com. Rep.

No. 682-78) recommending that H.C.R. No. 64 be referred to the Committee on Finance.

On motion by Representative Cayetano, seconded by Representative Takamura and carried, the report of the Committee was adopted and H.C.R. No. 64, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING CONGRESS TO AMEND THE SOLDIERS' AND SAILORS' CIVIL RELIEF ACT", was referred to the Committee on Finance, with Representative Sutton voting no.

Representative Shito, for the Committee on Housing, presented a report (Stand. Com. Rep. No. 683-78) recommending that S.B. No. 1619-78, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Shito, seconded by Representative Yuen and carried, the report of the Committee was adopted and S.B. No. 1619-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ASSISTANCE TO DISPLACED PERSONS", passed Second Reading and was referred to the Committee on Judiciary.

Representatives Takamine and Stanley, for the Committees on Employment Opportunities and Labor Relations and Public Employment and Government Operations, presented a joint report (Stand. Com. Rep. No. 684-78) recommending that H.R. No. 50 be referred to the Committee on Finance.

On motion by Representative Takamine, seconded by Representative Stanley and carried, the joint report of the Committees was adopted and H.R. No. 50, entitled: "HOUSE RESOLUTION REQUESTING A STUDY ON GOVERNMENT POLICIES AND EMPLOYMENT", was referred to the Committee on Finance.

Representative Blair, for the Committee on Ecology and Environment, presented a report (Stand. Com. Rep. No. 685-78) recommending that H.R. No. 281, as amended in HD 1, be referred to the Committee on Judiciary.

On motion by Representative Blair, seconded by Representative Larsen and carried, the report of the Committee was adopted and H.R. No. 281, HD 1, entitled: "HOUSE RESOLUTION RELATING TO THE NEED FOR COORDINATION BETWEEN THE STATE AND

COUNTIES IN THE ENFORCEMENT OF NOISE LAWS", was referred to the Committee on Judiciary.

Representatives Blair and Kawakami, for the Committees on Ecology and Environment and Water, Land Use, Development and Hawaiian Homes, presented a joint report (Stand. Com. Rep. No. 686-78) recommending that H.R. No. 315, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Blair, seconded by Representative Kawakami and carried, the joint report of the Committees was adopted and H.R. No. 315, HD 1, entitled: "HOUSE RESOLUTION REQUESTING A STUDY OF THE WATER CIRCULATION PROBLEM ALONG WAIKIKI BEACH", was referred to the Committee on Finance.

Representative Kawakami, for the Committee on Water, Land Use, Development and Hawaiian Homes, presented a report (Stand. Com. Rep. No. 687-78) recommending that H.R. No. 312 be referred to the Committee on Finance.

On motion by Representative Kawakami, seconded by Representative Caldito and carried, the report of the Committee was adopted and H.R. No. 312, entitled: "HOUSE RESOLUTION RELATING TO THE ACQUISITION OF THE WAIKELE BRANCH OF THE NAVY BRANCH OF THE NAVY MAGAZINE", was referred to the Committee on Finance.

Representatives Takamine and Stanley, for the Committees on Employment Opportunities and Labor Relations and Public Employment and Government Operations, presented a joint report (Stand. Com. Rep. No. 688-78) recommending that H.R. No. 378, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Uwaine, seconded by Representative Stanley and carried, the joint report of the Committees was adopted and H.R. No. 378, HD 1, entitled: "HOUSE RESOLUTION REQUESTING A STUDY ON ACCESS TO EMPLOYMENT RECORDS", was referred to the Committee on Finance.

Representative Machida, for the Committee on Tourism, presented a report (Stand. Com. Rep. No. 689-78) recommending that H.R. No. 365 be referred to the Committee

on Legislative Management.

On motion by Representative Machida, seconded by Representative Dods and carried, the report of the Committee was adopted and H.R. No. 365, entitled: "HOUSE RESOLUTION REQUESTING A REPORT ON HOTEL RESERVATIONS", was referred to the Committee on Legislative Management.

Representative Machida, for the Committee on Tourism, presented a report (Stand. Com. Rep. No. 690-78) recommending that H.R. No. 403, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Machida, seconded by Representative Dods and carried, the report of the Committee was adopted and H.R. No. 403, HD 1, entitled: "HOUSE RESOLUTION RELATING TO TOURISM", was referred to the Committee on Finance.

Representative Stanley, for the Committee on Public Employment and Government Operations, presented a report (Stand. Com. Rep. No. 691-78) recommending that S.B. No. 1757-78, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Stanley, seconded by Representative Uwaine and carried, the report of the Committee was adopted and S.B. No. 1757-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROVISIONAL APPOINTMENTS OF PUBLIC EMPLOYEES", passed Second Reading and was placed on the calendar for Third Reading on Monday, March 20, 1978.

Representative Stanley, for the Committee on Public Employment and Government Operations, presented a report (Stand. Com. Rep. No. 692-78) recommending that S.B. No. 1759-78, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Stanley, seconded by Representative Uwaine and carried, the report of the Committee was adopted and S.B. No. 1759-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LEAVES OF ABSENCE", passed Second Reading and was placed on the calendar for Third Reading on Monday, March 20, 1978.

Representative Stanley, for the Committee on Public Employment and Government Operations, presented a report (Stand. Com. Rep. No. 693-78) recommending that S.B. No. 1756-78, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Stanley, seconded by Representative Uwaine and carried, the report of the Committee was adopted and S.B. No. 1756-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NON-COMPETITIVE PROMOTIONS OF PUBLIC EMPLOYEES", passed Second Reading and was placed on the calendar for Third Reading.

Representative Stanley, for the Committee on Public Employment and Government Operations, presented a report (Stand. Com. Rep. No. 694-78) recommending that S.B. No. 1799-78, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Stanley, seconded by Representative Uwaine and carried, the report of the Committee was adopted and S.B. No. 1799-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ESTABLISHMENT OF STATE POLICY CONCERNING THE UTILIZATION OF VOLUNTEER SERVICES IN STATE GOVERNMENT", passed Second Reading and was placed on the calendar for Third Reading.

The Chair directed the Clerk to note that printed copies of S.B. No. 1757-78, SD 1, HD 1; S.B. No. 1759-78, HD 1; S.B. No. 1756-78, HD 1; and S.B. No. 1799-78, HD 1, were made available to the members of the House at 11:00 o'clock a.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 695-78) recommending that H.C.R. No. 76 be adopted.

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and H.C.R. No. 76, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING FAVORABLE ACTION ON PROPOSED FEDERAL LEGISLATION TO EXEMPT STATE AND LOCAL PUBLIC PENSION PLANS FROM FEDERAL TAXATION AND REPORTING REQUIREMENTS", was adopted.

Representative Cayetano, for the Committee on Energy and Transportation, presented a report (Stand. Com. Rep. No. 696-78) recommending that H.R. No. 336 be adopted.

On motion by Representative Cayetano, seconded by Representative Takamura and carried, the report of the Committee was adopted and H.R. No. 336, entitled: "HOUSE RESOLUTION REQUESTING THE CITY AND COUNTY OF HONOLULU DEPARTMENT OF TRANSPORTATION SERVICES TO EXPEDITE THE IMPLEMENTATION OF EXPRESS BUS SERVICE FROM AINA HAINA, NIU AND KULIOUOU VALLEYS TO DOWNTOWN HONOLULU", was adopted.

Representative Segawa, for the Committee on Health, presented a report (Stand. Com. Rep. No. 697-78) recommending that H.R. No. 18 be adopted.

On motion by Representative Shito, seconded by Representative Aki and carried, the report of the Committee was adopted and H.R. No. 18, entitled: "HOUSE RESOLUTION REQUESTING A REVIEW OF THE REFERRAL SYSTEM FOR MENTAL HEALTH PATIENTS", was adopted.

Representative Takamine, for the Committee on Employment Opportunities and Labor Relations, presented a report (Stand. Com. Rep. No. 698-78) recommending that S.B. No. 1682-78, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Takamine, seconded by Representative Peters and carried, the report of the Committee was adopted and S.B. No. 1682-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNLAWFUL SUSPENSION OR DISCHARGE FROM EMPLOYMENT", passed Second Reading and was placed on the calendar for Third Reading on Monday, March 20, 1978.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 699-78) recommending that S.B. No. 1623-78 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and S.B. No. 1623-

78, entitled: "A BILL FOR AN ACT RELATING TO GENERAL AND SPECIAL FUND REALIZATIONS", passed Second Reading and was placed on the calendar for Third Reading on Monday, March 20, 1978.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 700-78) recommending that S.B. No. 2612-78, SD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and S.B. No. 2612-78, SD 1, entitled: "A BILL FOR AN ACT RELATING TO REVENUE BONDS ISSUED BY THE STATE OF HAWAII", passed Second Reading and was placed on the calendar for Third Reading on Monday, March 20, 1978.

The Chair directed the Clerk to note that printed copies of S.B. No. 1682-78, SD 1, HD 1; S.B. No. 1623-78; and S.B. No. 2612-78, SD 1, were made available to the members of the House at 11:00 o'clock a.m.

Representatives Kawakami and Uechi, for the Committees on Water, Land Use, Development and Hawaiian Homes and Agriculture, presented a joint report (Stand. Com. Rep. No. 701-78) recommending that H.C.R. No. 27 be adopted.

On motion by Representative Kawakami, seconded by Representative Uechi and carried, the joint report of the Committees was adopted and H.C.R. No. 27, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A STUDY AND RECOMMENDATIONS FOR AN AGRICULTURAL WATER POLICY FOR THE STATE OF HAWAII", was adopted.

Representative Kawakami, for the Committee on Water, Land Use, Development and Hawaiian Homes, presented a report (Stand. Com. Rep. No. 702-78) recommending that H.C.R. No. 10, as amended in HD 1, be adopted.

On motion by Representative Kawakami, seconded by Representative Caldito and carried, the report of the Committee was adopted and H.C.R. No. 10, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A STATUS REPORT ON THE CAPITAL INFUSION PROMOTION PROGRAM", was adopted.

Representative Kawakami, for the Committee on Water, Land Use, Development and Hawaiian Homes, presented a report (Stand. Com. Rep. No. 703-78) recommending that H.R. No. 25, as amended in HD 1, be adopted.

On motion by Representative Kawakami, seconded by Representative Caldito and carried, the report of the Committee was adopted and H.R. No. 25, HD 1, entitled: "HOUSE RESOLUTION REQUESTING A STATUS REPORT ON THE CAPITAL INFUSION PROMOTION PROGRAM", was adopted.

Representative Kawakami, for the Committee on Water, Land Use, Development and Hawaiian Homes, presented a report (Stand. Com. Rep. No. 704-78) recommending that H.R. No. 111 be adopted.

On motion by Representative Kawakami, seconded by Representative Caldito and carried, the report of the Committee was adopted and H.R. No. 111, entitled: "HOUSE RESOLUTION SUBMITTING TO THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII FOR REVIEW OF ACTION TAKEN BY THE BOARD OF LAND AND NATURAL RESOURCES ON EXCHANGES", was adopted.

Representative Kawakami, for the Committee on Water, Land Use, Development and Hawaiian Homes, presented a report (Stand. Com. Rep. No. 705-78) recommending that H.R. No. 35, as amended in HD 1, be adopted.

On motion by Representative Kawakami, seconded by Representative Caldito and carried, the report of the Committee was adopted and H.R. No. 35, HD 1, entitled: "HOUSE RESOLUTION REQUESTING A PROGRESS REPORT AND RECOMMENDATION FOR LEGISLATIVE ACTION FROM THE GOVERNOR'S COMMITTEE FOR HAWAII AS A REGIONAL CENTER", was adopted.

Representative Kawakami, for the Committee on Water, Land Use, Development and Hawaiian Homes, presented a report (Stand. Com. Rep. No. 706-78) recommending that H.R. No. 119, as amended in HD 1, be adopted.

On motion by Representative Kawakami, seconded by Representative Caldito and carried, the report of the Committee was adopted and H.R. No. 119, HD 1, entitled: "HOUSE RESOLUTION RELATING TO THE MANAGEMENT OF FISH IN THE HAWAIIAN ARCHIPELAGO",

was adopted.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 707-78) recommending that H.R. No. 122, as amended in HD 1, be adopted.

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and H.R. No. 122, HD 1, entitled: "HOUSE RESOLUTION REQUESTING A STATE FISHERIES DEVELOPMENT MASTER PLAN STUDY", was adopted.

Representative Takamine, for the majority of the Committee on Employment Opportunities and Labor Relations, presented a report (Stand. Com. Rep. No. 708-78) recommending that H.R. No. 61, HD 1, be adopted.

Representative Takamine requested that action be deferred until Monday, March 20, 1978, and the Chair, noting that there were no objections, so ordered.

Representative Blair, for the Committee on Ecology and Environment, presented a report (Stand. Com. Rep. No. 709-78) recommending that H.R. No. 19, as amended in HD 2, be adopted.

On motion by Representative Lunasco, seconded by Representative Larsen and carried, the report of the Committee was adopted and H.R. No. 19, HD 2, entitled: "HOUSE RESOLUTION REQUESTING THE PUBLIC UTILITIES COMMISSION TO STUDY AND IMPLEMENT REGULATION OF TOUR BUS ROUTES", was adopted.

Representative Kunimura, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 710-78) informing the House that House Resolution Nos. 477 to 488, House Concurrent Resolution Nos. 96 to 100, and Standing Committee Report Nos. 653-78 and 680-78, have been printed and distributed.

On motion by Representative Kunimura, seconded by Representative Lunasco and carried, the report of the Committee was adopted.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 499 to 508) and concurrent resolutions (H.C.R.

Nos. 102 to 105) were referred to the Committee on Legislative Management and further action was deferred until Monday, March 20, 1978:

A resolution (H.R. No. 499) requesting the Department of Taxation to examine denials of tax deductions for educational expenses of teachers was offered by Representative Uwaine.

A resolution (H.R. No. 500) requesting a study of conveyance of title and foreclosure problems associated with agreements of sale was jointly offered by Representatives Kihano, Abercrombie, Campbell, Cayetano, Inaba, Larsen, Machida, Mina, Morioka, Peters, Shito, Takamura, Ueoka, K. Yamada and Yuen.

A resolution (H.R. No. 501) urging the Mayor and the City Council of the City and County of Honolulu and the Governor of Hawaii to expedite the transfer of a 32-acre State parcel at the corner of Komo Mai Drive and Kaahumanu Drive to the City and County of Honolulu for a district park was jointly offered by Representatives Mizuguchi, Cayetano, Campbell, Carroll, Fong, Inaba, Kawakami, Kihano, Larsen, Morioka, Naito, Peters, Say, Segawa, Sutton, Takamura, Toguchi, K. Yamada and Yuen.

A resolution (H.R. No. 502) requesting the Committee on Education to review the effectiveness of the Project Management System of the Department of Education was jointly offered by Representatives Mizuguchi, Campbell, Carroll, Cayetano, Fong, Inaba, Kawakami, Kihano, Larsen, Morioka, Naito, Peters, Say, Segawa, Sutton, Takamura, Toguchi, K. Yamada and Yuen.

A resolution (H.R. No. 503) requesting the Department of Education to investigate the feasibility of providing student activities coordinators at the high school level was jointly offered by Representatives Mizuguchi, Campbell, Carroll, Cayetano, Evans, Fong, Inaba, Kawakami, Kihano, Larsen, Morioka, Naito, Peters, Say, Segawa, Sutton, Takamura, Toguchi, K. Yamada and Yuen.

A resolution (H.R. No. 504) requesting the Attorney General of the United States to allow the use of heroin for medical purposes was offered by Representative Abercrombie.

A resolution (H.R. No. 505) requesting a feasibility study on unemployment and disability benefits to crime

victims was jointly offered by Representatives Dods, Cayetano, Cobb, Evans, Ikeda, Kiyabu, Kunimura, Medeiros, Mizuguchi, Say and Suwa.

A resolution (H.R. No. 506) requesting the Governor of Hawaii to establish a Washington Place Oversight Committee was jointly offered by Representatives Suwa and Say.

A resolution (H.R. No. 507) requesting a report on water rates and water service charges for agricultural producers on the island of Oahu was jointly offered by Representatives Uechi, Abercrombie, Caldito, Inaba, Kiyabu, Lunasco, Machida, Morioka, Naito, Peters, D. Yamada and K. Yamada.

A resolution (H.R. No. 508) requesting the Department of Land and Natural Resources to proceed with the development of an agricultural park in Waimanalo, Oahu was jointly offered by Representatives Uechi, Yuen, Abercrombie, Caldito, Inaba, Kiyabu, Lunasco, Machida, Morioka, Naito, Peters, Suwa, D. Yamada and K. Yamada.

A concurrent resolution (H.C.R. No. 102) relating to a functional plan for agriculture was offered by Representative Wakatsuki. (By request)

A concurrent resolution (H.C.R. No. 103) requesting a comprehensive study of Chapter 88, Hawaii Revised Statutes, on the Employees' Retirement System of the State of Hawaii was jointly offered by Representatives Machida, Caldito, Cayetano, Evans, Ikeda, Kawakami, Kihano, Kiyabu, Kunimura, Medeiros, Mizuguchi, Morioka, Nakamura, Poepoe, Shito, Suwa, Toguchi, Ueoka, Ushijima and K. Yamada.

A concurrent resolution (H.C.R. No. 104) requesting the Legislative Auditor to investigate and submit a report on expenditures of State agencies for the conduct of studies and reports was offered by Representative Campbell.

A concurrent resolution (H.C.R. No. 105) requesting the Department of Land and Natural Resources to proceed with the development of an agricultural park in Waimanalo, Oahu was jointly offered by Representatives Uechi, Yuen, Abercrombie, Caldito, Inaba, Kiyabu, Lunasco, Machida, Morioka, Naito, Peters, D. Yamada and K. Yamada.

The following resolutions (H.R. Nos. 509 to 512) were read by the Clerk and were disposed of as follows:

A resolution (H.R. No. 509) congratulating the Castle High School Drama Department on its 1978 production of "Brigadoon" was jointly offered by Representatives Ajifu, Abercrombie, Blair, Carroll, Cayetano, Cobb, Evans, Inaba, Kiyabu, Kunimura, Larsen, Peters, Say, Stanley, Takamine, Ushijima, Yuen and Wakatsuki.

On motion by Representative Ajifu, seconded by Representative Evans and carried, H.R. No. 509 was adopted.

A resolution (H.R. No. 510) commending Bert Nakaji, premier sports journalist, for a lifetime of service to athletics and dedication to his profession and honoring him on his retirement was jointly offered by Representatives Segawa, Mizuguchi, Abercrombie, Ajifu, Blair, Caldito, Cayetano, Cobb, Dods, Inaba, Kawakami, Kiyabu, Lunasco, Peters, Say, Suwa, Takamine, Takamura, Ueoka, Ushijima, Uwaine, D. Yamada, K. Yamada, Yuen and Wakatsuki.

On motion by Representative Mizuguchi, seconded by Representative K. Yamada and carried, H.R. No. 510 was adopted.

A resolution (H.R. No. 511) congratulating Albert Minn and Aulea Swim Club on their national swimming status was jointly offered by Representatives Medeiros, Abercrombie, Ajifu, Aki, Blair, Caldito, Campbell, Carroll, Cayetano, Cobb, Dods, Evans, Fong, Garcia, Ikeda, Inaba, Kamalii, Kawakami, Kihano, Kiyabu, Kondo, Kunimura, Larsen, Lunasco, Machida, Mina, Mizuguchi, Morioka, Naito, Nakamura, Narvaes, Peters, Poepoe, Say, Segawa, Shito, Stanley, Sutton, Suwa, Takamine, Takamura, Toguchi, Uechi, Ueoka, Ushijima, Uwaine, D. Yamada, K. Yamada, Yuen and Wakatsuki.

On motion by Representative Medeiros, seconded by Representative Poepoe and carried, H.R. No. 511 was adopted.

A resolution (H.R. No. 512) congratulating the Kalaheo High School basketball team on their successful 1977-78 season was jointly offered by Representatives Medeiros, Abercrombie, Ajifu, Aki, Blair, Caldito, Campbell, Carroll, Cayetano, Cobb, Dods, Evans, Fong, Garcia, Ikeda, Inaba, Kamalii, Kawakami, Kihano, Kiyabu, Kondo, Kunimura, Larsen, Lunasco, Machida, Mina, Mizuguchi, Morioka, Naito, Nakamura, Narvaes, Peters, Poepoe, Say, Segawa,

Shito, Stanley, Sutton, Suwa, Takamine, Takamura, Toguchi, Uechi, Ueoka, Uwaine, D. Yamada, K. Yamada, Yuen and Wakatsuki.

On motion by Representative Medeiros, seconded by Representative Poepoe and carried, H.R. No. 512 was adopted.

At 12:14 o'clock p.m., on request by Representative Abercrombie, the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:15 o'clock p.m.

THIRD READING

The following bills, which were on the calendar for Third Reading, were read throughout and the following actions taken:

S.B. No. 2599-78

On motion by Representative Say, seconded by Representative Stanley and carried, S.B. No. 2599-78, entitled: "A BILL FOR AN ACT RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS", passed Third Reading by a vote of 48 ayes, with Representatives Baker, Nakamura and Segawa being excused.

S.B. No. 1643-78, HD 1

By unanimous consent, action

was deferred until Monday, March 20, 1978.

The Chair directed the Clerk to note that S.B. No. 2599-78 had passed Third Reading at 12:16 o'clock p.m.

At this time, Representative Kihano introduced to the members of the House Representative Hansen, a member of the Montana State Legislature, and Mrs. Hansen.

Representative Kihano then introduced a personal friend of his from Wahiawa, Mrs. Claudia Nichols.

COMMITTEE REASSIGNMENT

At this time, the Chair re-referred Senate Bill No. 271 to the Committee on Consumer Protection and Commerce.

At 12:27 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:28 o'clock p.m.

ADJOURNMENT

At 12:30 o'clock p.m., on motion by Representative Yuen, seconded by Representative Kamalii and carried, the House of Representatives adjourned to 11:00 o'clock a.m. on Monday, March 20, 1978.

FORTY-THIRD DAY

Monday, March 20, 1978

The House of Representatives of the Ninth Legislature of the State of Hawaii, Regular Session of 1978, convened at 11:00 o'clock a.m., with the Speaker presiding.

The Divine Blessing was invoked by the Reverend Robert Walden of the Church of the Holy Nativity, after which the Roll was called showing all members present with the exception of Representatives Baker, Fong and Poepoe, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Forty-Second Day.

On motion by Representative Yuen, seconded by Representative Kamalii and carried, reading of the Journal was dispensed with and the Journal of the Forty-Second Day was approved.

GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 96 to 98) were read by the Clerk and were disposed of as follows:

A message from the Governor (Gov. Msg. No. 96) transmitting copies of the report relating to definitions of various planning terms that had been prepared in response to H.R. No. 162, Legislative Session of 1977, requesting the Department of Planning and Economic Development to develop definitions of the terms: policy plan, functional plan, general plan, development plan and urban design plan, was placed on file.

A message from the Governor (Gov. Msg. No. 97) transmitting copies of a report prepared by the Department of Health pursuant to Section 2, Act 190, Session Laws of Hawaii, 1975, was placed on file.

A message from the Governor (Gov. Msg. No. 98) transmitting copies of the annual report prepared by the State Immigrant Services Center of the Commission on Manpower and Full Employment pursuant to Section 202-9, Hawaii Revised Statutes, was placed on file.

At this time, Representative Cobb introduced Mr. Hae Sik Ahm from Korea.

ORDER OF THE DAY

DEFERRED RESOLUTIONS

The following resolutions (H.R. Nos. 499 to 508) and concurrent resolutions (H.C.R. Nos. 102 to 105) were disposed of as follows:

<u>H.R. Nos.</u>	<u>Referred to:</u>
499	Committee on Education, then to the Committee on Finance
500	Committee on Consumer Protection and Commerce, then to the Committee on Legislative Management
501	Committee on Water, Land Use, Development and Hawaiian Homes
502	Committee on Education
503	Committee on Education, then to the Committee on Finance
504	Committee on Health, then to the Committee on Judiciary
505	Committee on Judiciary, then to the Committee on Employment Opportunities and Labor Relations, then to the Committee on Finance
506	Jointly to the Committees on Culture and the Arts and Water, Land Use, Development and Hawaiian Homes, then to the Committee on Finance
507	Committee on Agriculture
508	Jointly to the Committees on Water, Land Use, Development and Hawaiian Homes and Agriculture, then to the Committee on Finance
<u>H.C.R. Nos.</u>	
102	Jointly to the Committees on State General Planning and Agriculture
103	Committee on Public Employment and Government Operations, then to the Committee on Legislative Management
104	Committee on Public Employment and Government Operations, then to the Committee on Legislative Management
105	Jointly to the Committees on Water, Land Use, Development and Hawaiian Homes and Agriculture, then to the Committee on Finance

COMMITTEE REASSIGNMENT

Senate Bill No. 380 was re-referred to the Committee on Finance.

SUSPENSION OF RULES

On motion by Representative Yuen, seconded by Representative Kamalii and carried, the rules were suspended for the purpose of allowing members to offer resolutions.

INTRODUCTION OF RESOLUTION

A resolution (H.R. No. 513) congratulating Mr. Arthur F. Kepoo Sr., the Boy Scouts of America, Aloha Council and the Girl Scout Council of the Pacific Inc., for their services in providing visitors with guided tours and information concerning the State Capitol was jointly offered by Representatives Evans, Sutton, Kamalii, Abercrombie, Ajifu, Aki, Blair, Caldito, Campbell, Dods, Ikeda, Inaba, Kawakami, Kihano, Kiyabu, Kunimura, Larsen, Lunasco, Machida, Medeiros, Mina, Morioka, Nakamura, Narvaes, Poepoe, Say, Segawa, Shito, Stanley, Takamine, Takamura, Toguchi, Uechi, Ueoka, D. Yamada, K. Yamada and Yuen.

On motion by Representative Evans, seconded by Representative Kamalii and carried, H.R. No. 513 was adopted.

Representative Evans then introduced Arthur F. Kepoo, Sr.; Stan Watanabe, representing the Boy Scouts of America, Aloha Council; and Mrs. Gussie Haeffner, representing the Girl Scout Council of the Pacific, Inc. They were presented with leis by Representatives Kamalii, Ikeda and Ajifu, respectively, and certified copies of the resolution by Representative Evans.

Representative Evans also introduced the following people who helped Mr. Kepoo's committee with the tours: Mrs. Kepoo and their children, Ardie, Arnette, Apollo and Arlyn; Mr. Bud Smith, executive director of the Girl Scout Council of the Pacific, Inc.; and Girl Scouts, Mary Fitzsimmons, Kathy Marks, Ruth Swanson and Malia Rickey, who were accompanied by their parents, Major and Mrs. Fitzsimmons, Mrs. Pamela Marks and Mr. Rickey.

At 11:11 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:22 o'clock a.m., the following introductions were made to the members of the House:

Representative Peters introduced the following members of the Waianae Boxing Club, who were going to the mainland to participate in the National Golden Gloves Boxing Championships: Mr. Fred Perreira, coach; Julio Rodriguez, previous champion of the National Gloves tournament in the 112 lbs. division and representing Hawaii in that division this year; Glenn Rodriguez, 119 lbs. division; Sonny Westbrook, 178 lbs. division; and Tom Westbrook, heavyweight division. They were accompanied by George Ishihara, executive secretary and coordinator of the State Golden Gloves Boxing Championships.

Representative Mina introduced the following visitors from the Philippines: Congressman Antonio Magsaysay-Diaz, "Ms. Tourism" from the Republic of the Philippines, Carmen Santos Bautista, and her mother, Mrs. Regina Bautista.

At this time, Representative Kunimura rose and stated:

"May I add to the introduction?

I was one who was . . . rather I felt sorry for myself when I was designated to represent you, Mr. Speaker, to go to the Philippines, because I did not know what was in store for me and I was terribly apprehensive. I felt, at times, I was being condemned to hell.

But when I got there, I realized that it was one of the best things that ever happened to me, and I thank you, Mr. Speaker. Maybe, at last, some of my loyalty, very little of my loyalty that is with you yet, is because of that particular trip to the Philippines.

I must say, in all honesty and sincerity, that if there is a place you would like to go in this whole wide world, I would recommend you go to the Philippines, because that is where you will see the original birthplace of aloha spirit, and you will see and enjoy their hospitality. I've been practically all over the world, but I have never, in my whole career in politics and travel, that I have experienced such warm, deep aloha and hospitality than I have experienced in the Philippines.

I was so afraid before I left that . . . you know, I'm deathly against Martial Law and dictators - they have a very strange hybrid of government

there and I have always said any government of the people, by the people and for the people . . . you know, when people who live there are for it, then who are we, from the outside, to criticize. So, before we criticize, maybe we ought to take a trip and see what it's all about.

Thank you, Mr. Speaker."

Representative Lunasco then rose and stated:

"Mr. Speaker, I think the previous speaker got kind of spoiled in the Philippines, because from what I can gather, they were calling him 'Speaker'. And when he came back here, I was just worried if he was going to take over the podium."

Representative Abercrombie then said:

"Mr. Speaker, I trust, in the near future, all the political prisoners will be released so democracy can be restored there."

Representative Kunimura then rose and stated:

"I hope our country will release some of our political prisoners also."

Representative Abercrombie replied:

"I'll go for that."

UNFINISHED BUSINESS

Stand. Com. Rep. No. 708-78 on H.R. No. 61, HD 1 (Deferred from March 17, 1978):

Representative Takamine moved that Stand. Com. Rep. No. 708-78 and H.R. No. 61, HD 1, be recommitted to the Committee on Employment Opportunities and Labor Relations, seconded by Representative Peters.

Representative Naito then rose to speak against the recommitment, stating:

"The reason for my doing so is that I believe that the members of this House don't fully understand what the study calls for.

I appreciate the fact that when you have any kind of a bill or resolution that talks about unemployment or disability benefits to former inmates, it sounds like a soft on inmates or soft on prison type of legislation.

This is totally the opposite, and I wanted to have this opportunity to explain to the members just what this bill, or resolution, rather, is all about.

Five states, right now, have such a statute on its books - Maryland, California, Washington, Texas and Georgia. I want to re-emphasize, at this point, and I will continue to do so, that we are not talking about putting a statute on our books by this resolution. We are talking about the study of putting such a statute on the books. We are talking about cost benefits, about cost rations, and we are talking about recidivism rates.

Mr. Speaker, we spent a great deal of time and effort during this legislative session to go, well, in my opinion, to have knee-jerk reaction to problems with the rising crime rates. However, it seems to me when we have the opportunities to look at alternate ways to reduce the crime rate, that is considered a non-acceptable method. I want to just get into a little bit of it, if I may.

Some of the remarks that were made in various states for support, not of the study but a support of the bill, the bill which the study would refer to, the number of people involved, or the groups of people involved, are the wardens of various prisons, the American Bar Association, the California AFL-CIO, parole officers, the U.S. Department of Labor, just to name a few.

I would like to quote some of the remarks that were made from a California warden of San Quentin prison: 'I wholeheartedly recommend the passage of Senate Bill 224 (this is a California bill). I know that it will not only help the released prisoner and his family, I know that it will benefit society by the reduction of crime and more of these people among us will be good contributing tax paying citizens.'

From the California State Council on AFL-CIO: 'Please be advised that the 150,000 members of this State Council wish to go on record in support of this bill. The Baltimore experience has shown the program effective in reducing the number of repeat offenders to permit the sincere convict the financial opportunity to go straight and avoid the temptation of one last burglary while seeking employment.'

Another quote: 'During the past nine years I have assisted literally

hundreds of ex-offenders during their initial re-entry into society. I have been an administrator of drug and narcotic treatment programs and ex-offender programs. I hereby stake my professional reputation to attest that this is the most fantastic bill that has come out yet of the California Legislature.'

From the U.S. Department of Labor: 'The Baltimore life project underscores the potential long term impact of the ex-offenders' experience in the first few months outside when he or she is most vulnerable to rebuff by employees, family and friends. For some ex-prisoners a few positive occurrences and/or support of responses during these crucial months may be enough to prompt a permanent decriminalization of their behavior problems.'

Another quote: 'Aside from the obvious needs to provide an ex-offender with the means of survival while he locates employment, this bill has immeasurable benefits to the general public in reducing the incidents of crime by released prisoners and an easy course to existing social service programs, as ex-offenders will be required to seek employment to support themselves and their families just like any others drawing unemployment benefits.'

The measure is similar to a program in Baltimore, Maryland, in 1974 that was sponsored by the U.S. Department of Labor and the American Bar Association. This program resulted in a significant reduction in crime by released prisoners and caused the Department and the American Bar Association to start two additional programs in Texas and in Georgia last year.

Another quote: 'California conducted a financial and job assistance program in 1973, which resulted in reductions in recidivism, especially with persons formerly convicted with property related crimes. The U.S. Department of Labor sponsored a program in Baltimore, Maryland, between '71 to '74, in which high risk offenders were given financial aid after their release from prison in order to seek employment. This program's results include a reduction in economically-motivated crimes and an increase in the eventual employment of aid-recipients and stimulated similar federal efforts in other states.'

And finally, another quote: 'This program, financed by the federal government in Maryland, reduced

the re-arrest rate of inmates released from Maryland State Prison by 37%. This dramatic reduction in recidivism stayed constant in the second and third year after release. The State of Washington does now have a similarly high successful program for four years.'

Mr. Speaker, this resolution, again, I repeat, is a resolution. It is a study. It is a study for a possibility of a way of reducing the high crime rate that we have in Hawaii. For people to vote no or to recommit a study that at least can offer a way or a possibility to reduce an economic cost for ex-offenders and their families and also to reduce recidivism as has occurred in many of the five states, to me is unthinkable. Again, I don't know really what to add except that I'm terribly disappointed with my colleagues if they feel that this is a non-law and order bill and a soft on crime bill, because it is just absolutely the opposite. It's a study. It's a feasibility study on just how we can attack the high crime rate and reduce recidivism and also benefit the State of Hawaii economically, and I would urge my colleagues to vote against recommitting such a resolution.

Thank you."

At 11:37 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:40 o'clock a.m., Representative Abercrombie rose and stated:

"I would be very reluctant to see the vote come, under recommitment, not hearing any discussion to the contrary. And, I take it that because there was no one standing when you asked for more discussion and said, 'if not . . .', that no one would stand to speak against what Representative Naito has just stated. I don't know if that means that she has sufficiently convinced everyone on the floor that her position is the one to be sustained, or that those who oppose her position are reluctant to articulate the reasons why her views should not be sustained. Obviously, every member is entitled to vote and need not state his or her position in terms of the reasons for support or non-support."

Representative Kamalii, on a point of order, asked:

"Is the representative from Manoa speaking for the resolution or for the recommitment or against the recommitment?"

Representative Abercrombie replied:

"I beg your pardon, Mr. Speaker, I am speaking against the recommitment. I beg the representative's pardon.

As I indicated, it is not necessary for that to occur. However, the compelling circumstances mentioned by the previous speaker is such that in the absence of a rebuttal, I believe it is necessary to extend her remarks in just two or three instances. I hope, with the result, that the members will not vote for the recommitment.

Mr. Speaker, in our correctional master plans we had three modules. I believe they're called that. They used to be called buildings. Now they're called modules. These buildings were to be utilized. We voted for this, my friends, and the overwhelming majority of the people here on the floor, some of the folks who were voted in last term were not involved in the original voting, but I voted to sustain it for a work furlough section.

Now, we have a very minimal work furlough situation right now. I have mentioned it on this floor. It works. Work furlough works. It puts people back into the community who have been incarcerated under circumstances in which they are very closely watched, in which they earn an income, their bills are paid to the extent that their bills are less than their income. The families have money put in the bank. They have the opportunity to visit with their families and friends. The circumstances of the sexual deprivation are alleviated for those who are single.

And the reason this is so important is that barring the capacity to do this now, as we envisioned in the master plan, we must have an interim step situation. The representative who is the chairman of the Corrections Committee is trying to address this interim situation, and I beg of you to consider her rationale.

In my office, two weeks ago, was a woman severely beaten in the face and the body. I cite this to you not as some kind of a bleeding heart situation as it is known, or to over-dramatize what I am trying to discuss, but rather to bring you the facts. The reason she was in my office is a volunteer from the prison was in contact with her and the man who had just recently left prison - 25 years old; went in at 18; he had been there 7 years; he

has severe sexual problems, severe identification problems in terms of his responsibilities and contact with women. All I am driving at here is that this kind of thing is not necessarily going to solve that. This kind of thing is not necessarily going to resolve the problems that are involved in this. But unless and until we have a work furlough system for those capable of dealing with it, we must have some kind of transition capacity.

This resolution addresses itself to a study. I believe, and I've said to the chairman of Corrections, we need something right now, instantaneously. But in the absence of that, if we can arrive at something which will provide us this transition capacity, perhaps we are in for these tragedies. We will have people earning a living, getting the feeling that they can conduct themselves generally as men; generally as men who can be worthy in the community. These are people, in many instances, who have been told to do everything for years and years, including when they can go to the bathroom. Their basic functions, and bodily functions, have been regulated.

Again, I state this, and I beg of you, not as some kind of a bleeding heart or asking of some kind of unnecessary or unwarranted mercy. I ask on the most practical grounds. And the chairman of Corrections has made this resolution, or caused this resolution, to come forward on the most practical grounds, that having been incarcerated for a number of years at great expense to the State, it makes no rational sense, then, to put them on the street without at least every available means that we can rationally think of ourselves to aid and enable them to stay on the street without involving themselves either with the people who help put them where they were or involving themselves in the circumstances that put them individually into what they did.

This is the exact opposite of trying to give a break to someone who doesn't deserve it. What this is is trying to give a break to the taxpayer who has footed the bill for the entire time that person has been incarcerated. If we can do that, and it works, even in one case, in one case, if one wife is not abused, if one individual leads a productive existence and becomes a tax-paying citizen and does not return to prison, the cost savings, not only in the human considerations, but in practical dollars and cents, will be enormous. And I can assure you that it will not be just a single

individual. And I can assure you, in term, as I conclude these remarks, that there will not be an individual who will not take advantage of this and use it for ill. This is not something confined to those who left prison.

If I read my paper correctly, a representative of Congress pleaded guilty yesterday to misappropriation of funds in the 'Koreagate'. Am I to conclude, then, that the other members of the Congress are equally culpable? I think not. Some people may wish to do that. They may find some comfort in smearing all politicians in that respect, but it is not the truth. Conversely, if the same thing occurs with a prisoner who does take advantage when it doesn't work out, that is not an argument against what is being proposed. On the contrary, it's an argument that we should try this experiment. It's so little.

We've already, I think, put ourselves on record to the extent that if anyone thinks they need to express an attitude of firmness with the various bills that we've passed, therefore, this request, if anything, is an excellent follow-up should the mandatory sentence circumstances prevail in the Legislature this year. We must have a transition phase with mandatory sentencing or risk the very thing that mandatory sentencing ostensibly is trying to stop.

Please, please reconsider and do not vote to recommit this bill. If you must vote against it, please vote against it here today."

Representative Cayetano then rose and stated:

"As chairman of a committee myself, I have had occasion to move for recommitment of bills, but I have always given an explanation, at least for the House Journal. I would like to ask the chairman of this committee to explain, for the record, the reasons for the recommitment."

Representative Takamine then rose and stated:

"I have signed this committee report and, as the chairman of the committee, I feel that it's much better that this resolution, since it is a resolution and we have lots of time, that because I am for the resolution, I would rather keep it alive in the committee than have it die on the floor this morning.

From Friday, if you noticed, this resolution was recommended for floor action on Friday. I've asked for postponement until this morning to give us the chance to count our votes. At this point, we don't have the votes to pass this resolution; therefore, my reason is to try to keep it alive in the committee rather than having it die on the floor this morning.

I would also like to say that in hearing this bill, it is not that there is nothing being done at this moment. There are other programs, including our SCET programs, that is being utilized today to try to assist. Also, unions came out, especially the building trade unions. When there were many jobs, they were trying to assist the prisoners in this rehabilitation program. So, it's not, at this moment, that nothing has been done. Only, it is more difficult because of the high unemployment.

Therefore, in trying to explain, my reasons for recommitting this resolution is to try to keep it alive in the committee rather than to have it die on this floor this morning."

Upon being recognized, Representative Kunimura stated:

"Mr. Speaker, the chairman of the committee has very clearly expressed some of the concerns the members of the committee showed in our signing of the committee report.

I don't think there is anybody in this chamber here today that disagrees and is against those who are being released. I think we jump for joy. But when you let the Department of Labor do the study and make mention of unemployment or disability benefits, that's a very, very narrow arm you are already zeroing in on.

You know, when you zero in on the Department of Labor and then you talk about unemployment and disability benefits, this scares the hell out of me because this should be a general fund obligation and the Department of Social Services should be looking after because they have all the records. They've been their client - their open release, conditional release, or otherwise - that their welfare, their welfare to their family and all of that should be looked after by the DSSH and they should be doing the study and making recommendations how we can better help these people to get back into society. This is my serious reservation, because it scares the hell out of me."

Representative Uechi, speaking

against the recommittal, stated:

"I think some of you remember, about three years ago, I also had a bill in my particular committee and I knew at that particular time that the votes were not on the floor to pass that particular measure; however, I deferred the bill for about a week and a half before it was put to vote on the floor.

I don't think it's any reflection on the committee chairman or the committee members to have anything die on this particular floor.

Now, if the committee chairman does wish to keep the bill alive, I don't see any reason why it shouldn't be deferred one or two more days rather than be recommitted, unless there is some way in which they want to amend this resolution.

So, I am speaking against the recommittal. I think if we need several more days to take a look at the resolution itself, that should be done rather than recommittal.

Thank you."

Speaking in favor of the recommittal, Representative Kamalii stated:

"You know, we have a bill in the hopper. It calls for just this kind of situation. When a bill cannot come out, you put it in the form of a resolution.

What I am concerned about is that we just recently passed a resolution here requiring a complete review of the correctional master plan in this State. And for you to go ahead now to pass this resolution, I think is a mistake. Without even questioning the validity and rightness of the intent of this resolution, it is my feeling that we are usurping part of the charge made to that review committee. That review is going to take in all departments, including the Department of Social Services, and it is precisely because we historically handle, and hysterically, corrections and the many facets in this piecemeal approach in the master plan, is precisely why we should not continue to have resolutions passed on this floor usurping other resolutions.

Moreover, I agree that it is the State's responsibility to assure that unemployment does not become the excuse for an individual to commit another crime. This responsibility, however, is not met by providing

another handout. I think we should give all of our help to the review committee on the correctional master plan, and I'm sure that they can solve all of these problems that the chairman of the Corrections Committee is concerned with.

When you talk about the other statistics, you could be sure they have a correctional master plan and people that know how to run their prison instead of the mess we have down there now."

Representative Larsen then rose to speak "against the recommittal and express some concerns about the resolution", stating:

"I think the idea of the resolution to study this problem of using unemployment disability benefits to give some help to these people who come out of prison is misplaced.

I agree with the representative from Kauai that this is a State function. If we start loading this additional cost on to the small business community who supports and pays for the unemployment compensation program in total, I think that's missing the boat here and loading that segment of the community with an additional charge. I don't believe we should do that. I believe the study will indicate that that's wrong and I would pursue the fact that in the study we will come out with some hard information. And, yes, their people do need more help. That is part of the social service program of the State to see that they are given help, but not to load it on to the private industry, small businessmen."

Representative Naito then rose in rebuttal, stating:

"First, to the Minority Floor Leader, I would like to certainly agree with her opinion that the Department of Social Services and Housing and the Corrections Division are a complete mess. I would like to make stronger statements like that, but I'm afraid that I won't for now.

At any rate, in rebuttal to one of the previous speakers from Kauai who mentioned that why are we having it in the Department of Labor rather than the Department of Social Services, this resolution was originally addressed to the Department of Social Services and Housing. And, as usual, they were reluctant to do anything unless we supplied them with a great many more people to do this study; whereas, the Department of Labor, and the Department of Social Services and Housing

also, suggested that they weren't the right people to do it. The Department of Labor was the correct area for that to go.

And when the Department of Labor came and testified, they said that they would be very happy to do it. They were very much in favor of the resolution and that they would do it without any additional cost or body or personnel and that they felt that they could do the study very, very well and have it for us for the next session.

As far as the previous speaker from Wailaie, in terms of loading the private sector by paying unemployment benefits, the bill that was originally together with this resolution does not speak to that at all. It speaks to the State paying this unemployment rather than the unemployment compensation coming from the private sector.

And in the studies that were done in California and other states, it was determined that by going through the unemployment benefits, by the State paying for the unemployment benefits rather than these people going to the welfare, it came out less. The amount of money came out significantly less for the State to pay the unemployment benefits rather than for these people and their families to go on welfare. Not only that, by putting them under the aegis of the Department of Labor, they were under much stricter control to maintain or to get a job, which is not the main function of the Department of Social Services and Housing and the mess that they are in right now.

So, for a number of these reasons, I think . . . okay, I see one more thing I wanted to respond to the chairperson of Employment in terms of putting this off. I suggested on Friday to the chairman that I would be very happy, because even at that time I felt people wouldn't understand what this study called for, but I would be very happy to explain it even in caucus. In fact, I spoke to the Minority Floor Leader and said I would be very happy to come and see their caucus and explain the purpose of this study, because on its surface it does not appear to be what it is. It is, again, it is a study.

There is a possibility. It is a possibility. It is a possible, not solution, but one of the possible

solutions that we may take to reduce recidivism, and for the State to be economically more sound. This is what we are talking about. We are talking about attacking the crime rate and attacking the rising crime rate. This is something that is new in other states. It has only been going on for four or five years, and in everyone of them it has been successful. They've received federal aid for this program, etc.

Here we are talking about a study. Of us possibly doing this. I can't see why this should be recommitted. I think by this time there should have been enough discussion and, hopefully, some of the points have gotten across.

And I can't understand why we are continually saying this is a soft on crime bill. It is not. It is a resolution which addresses the very serious concerns of our State and of our citizenry about recidivism and about our very poor economic situation. Again, for this reason, I hope that we vote not to recommit this resolution.

Thank you."

The motion was put by the Chair and carried, and notwithstanding the recommendation of the Committee that H.R. No. 61, HD 1, be adopted, Stand. Com. Rep. No. 708-78 and H.R. No. 61, HD 1, entitled: "HOUSE RESOLUTION REQUESTING A FEASIBILITY STUDY OF PROVIDING UNEMPLOYMENT AND DISABILITY BENEFITS TO FORMER PRISON INMATES" were recommitted to the Committee on Employment Opportunities and Labor Relations after a division of the House.

S.B. No. 1643-78, HD 1, on Third Reading (Deferred from March 13, 1978):

On motion by Representative Segawa, seconded by Representative Shito, S.B. No. 1643-78, HD 1, was recommitted to the Committee on Health.

STANDING COMMITTEE REPORTS

Representative Stanley, for the Committee on Public Employment and Government Operations, presented a report (Stand. Com. Rep. No. 711-78) recommending that S.B. No. 2614-78 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Stanley, seconded by Representative Uwaine and carried, the report of the Committee

was adopted and S.B. No. 2614-78, entitled: "A BILL FOR AN ACT RELATING TO THE EXEMPTION OF THE EXECUTIVE SECRETARY OF THE COMMISSION ON POPULATION AND THE HAWAIIAN FUTURE FROM THE PROVISIONS OF CHAPTERS 76 AND 77, HAWAII REVISED STATUTES", passed Second Reading and was referred to the Committee on Finance.

Representatives Kawakami and Say, for the Committees on Water, Land Use, Development and Hawaiian Homes and Culture and the Arts, presented a joint report (Stand. Com. Rep. No. 712-78) recommending that H.R. No. 334 be referred to the Committee on Finance.

On motion by Representative Kawakami, seconded by Representative Say and carried, the report of the Committees was adopted and H.R. No. 334, entitled: "HOUSE RESOLUTION REQUESTING THE STATE TO ACQUIRE THROUGH AN EXCHANGE OF LAND THE HISTORIC KAMOA POINT ON THE KONA COAST OF THE ISLAND OF HAWAII", was referred to the Committee on Finance.

Representative Kawakami, for the Committee on Water, Land Use, Development and Hawaiian Homes, presented a report (Stand. Com. Rep. No. 713-78) recommending that S.B. No. 2617-78, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Kawakami, seconded by Representative Caldito and carried, the report of the Committee was adopted and S.B. No. 2617-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ESTABLISHMENT OF A CONSERVATION AND RESOURCES ENFORCEMENT PROGRAM WITHIN THE DEPARTMENT OF LAND AND NATURAL RESOURCES", passed Second Reading and was referred to the Committee on Finance.

Representative Kawakami, for the Committee on Water, Land Use, Development and Hawaiian Homes, presented a report (Stand. Com. Rep. No. 714-78) recommending that S.B. No. 2084-78, SD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Kawakami, seconded by Representative Caldito and carried, the report of the Committee was adopted and S.B. No. 2084-78, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN

HOMES COMMISSION ACT, 1920, AS AMENDED", passed Second Reading and was referred to the Committee on Finance.

At 12:05 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 12:07 o'clock p.m., Representative Yuen introduced sixty 4th and 5th grade students from Kailupulu Elementary School. They were accompanied by their teachers, Mrs. Mabel Watanabe and Mrs. Lois Lum; and parents, Mrs. Susan Daughters, Mrs. Martha Staggs, Mrs. Sharon Schwallie and Mrs. Camille Alshear.

Representative Ushijima, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 715-78) recommending that S.B. No. 1673-78, SD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Ushijima, seconded by Representative Abercrombie and carried, the report of the Committee was adopted and S.B. No. 1673-78, SD 1, entitled: "A BILL FOR AN ACT RELATING TO EXEMPTING ITEMS PURCHASED FOR RESALE BY THE UNIVERSITY OF HAWAII BOOKSTORES FROM THE REQUIREMENTS OF PUBLIC ADVERTISEMENT FOR SEALED TENDERS", passed Second Reading and was referred to the Committee on Finance.

Representative Ushijima, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 716-78) recommending that H.R. No. 394, as amended in HD 1, be referred to the Committee on Finance.

Representative Ushijima moved that the report of the Committee be adopted and that H.R. No. 394, HD 1, be referred to the Committee on Finance, seconded by Representative Abercrombie.

Representative Abercrombie then rose to speak in favor of the resolution, stating:

"Mr. Speaker, for those in the gallery who do not have the resolution before them, it is entitled: University of Hawaii Investments in Corporations Active in South Africa.

Mr. Speaker, this resolution was drawn up by the staff of the chairman of the committee. In particular, Mr. Henry Iwasa, who is the clerk. As vice chairman of the Committee on Higher Education, I want to commend the chairman's staff and Mr. Iwasa for putting together a resolution which

is so succinct, which is so accurate, which was so incapable of being assaulted and attacked in terms of amendment, in respect to the goal that was sought, that I have scarcely witnessed it in the time I have been in the Legislature.

The University of Hawaii, on the other hand, in its testimony, spoke only of what it called its fiduciary responsibilities in respect of investments in South Africa by the University of Hawaii in terms of corporations doing business there. One would assume, Mr. Speaker, that the University of Hawaii, in its official testimony by the acting president, as Dr. Matsuda was not available, would understand that fiduciary is an adjective, and that fiducial is the noun. Fiducial means accepted as a standard for measurement or comparison. Fiduciary is most associated with fiscal matters, but the origin is in the question of trust. What trust is the University of Hawaii taking? How is the University of Hawaii acting in terms of setting a standard for measurement or comparison? Universities all over the country, public and private, are divesting themselves of their financial interest in corporations doing business with the racist government of South Africa.

The Prime Minister of that country was incarcerated in WW II for his Nazi activities, for his pro-Hitler activities. At the same time, perhaps, members of this body were engaged in the greatest World War in the history of this planet. The people in charge of that government were working for and with the Nazi oppressors that we were fighting.

And yet the University of Hawaii says, in its testimony, that the guidelines under what it calls its prudent man rule do not address social or political issues. The University does not address social or political issues. That may mean it may be because the University is systematically destroying its capacity to teach. It is systematically destroying a Political Science Department, the Department of English. It is systematically incorporating into its activities greater and greater administrative responsibilities. If the University has its way, very shortly, there will be no one but administrators at the campus, and the students and faculty will have disappeared entirely and then it will run efficiently. The students and the faculty always get in the way. This states in its testimony.

The reason I am reading it and bringing it to the attention on the floor is that you may not be aware of what the University of Hawaii thinks is its fiduciary responsibility. The resolution may go too far in directing the Board of Regents to follow a specific course. By all means, by all means, let's direct the University to divest itself of investments in a racist Nazi government. By all means, let's not lose a nickel no matter whose blood has to be spilled, no matter what people have to be oppressed. And the University then asked that the resolution direct the Board to consider the course prescribed.

The University concludes its statement on behalf of the Board of Regents. The Board of Regents has concluded that it must place the highest priority on meeting its fiduciary responsibilities. If social or political objectives are pursued to the extent that they conflict with this responsibility, questions could be raised about the Board's legal obligation to management - it manages its endowment funds prudently.

On the other hand, the Board, in considering this issue, may conclude that it may be possible to accomplish both. Maybe, we will be able to continue to invest in South Africa, still make money and make it appear as if we weren't backing up those racist murderers.

I want to repeat, if social or political objectives are pursued to the extent that they conflict with the responsibility to make money, questions will be raised about the Board's legal obligation to manage its endowment funds prudently.

I would like to see the day, in this State, where someone could raise the question about prudent management, because you are investing with murderers. If that's the case, my suggestion to the Board of Regents is, is that they contact the Mafia. That they contact the syndicates where I can assure you in loan sharking operation everybody pays. You need not worry about the money at all. There are no bad investments in loan sharking.

This, Mr. Speaker, is an example of the intellectual leadership that is being provided at the University of Hawaii. I conclude my remarks by indicating that the University of Hawaii was unable to tell the Committee what investments it had in South Africa. With all the research capacity of the University available to it, with all the budget administrators available to it, with the entire resources of administrative and academic support and institutional support throughout

the system of the University of Hawaii, they could not tell us what the investments were.

And following that testimony, a student stood up, named Carmel Valianti, who recited exactly what the investments were - General Electric, General Motors, Eastman Kodak, International Business Machines, John Deere Mobile, Caterpillar Tractor Co., U. S. Steel Corporation; the sources: account #03385000, University of Hawaii Endowment Fund, Hawaiian Trust Company, Ltd., state of assets, statement of assets, investment analysis, Bishop Trust Company, Ltd., UH Endowment Fund as of March 31, 1977.

Nobody at the University, from the president on down, was capable of finding out where the hell its accounts are in terms of the Endowment Fund. This is the kind of leadership, and I want it on the record, this is the most appalling indictment of that crew of bandits at the University yet.

This is the most significant document, in terms of public witness, as to where the true feelings of the administration of the University of Hawaii is. It is with the bucks. It's taking care of #1, and any association between social and/or political responsibility on the part of the University, the ostensible political leader, that is to say, the intellectual leader of the State, is totally coincidental.

I urge this resolution be passed because it came to our attention by students and it was picked up in detail by students. And the total lack of capacity of the University administration to respond to the indictment of the students was something you would have had to be in the room to witness to understand. People turned their heads in shame. This is the least we can do for the students at the University of Hawaii who are trying to exercise such intellectual leadership as we hope we fund when we send the University of Hawaii budget forward to the Governor."

The motion was put by the Chair and carried and the report of the Committee was adopted and H.R. No. 394, HD 1, entitled: "HOUSE RESOLUTION RELATING TO UNIVERSITY OF HAWAII INVESTMENTS IN CORPORATIONS ACTIVE IN SOUTH AFRICA", was referred to the Committee on Finance.

Representative Mizuguchi, for the Committee on Education, presented a report (Stand. Com. Rep. No. 717-78) recommending that S.B. No. 2616-78, as amended in HD 1,

pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Mizuguchi, seconded by Representative Campbell and carried, the report of the Committee was adopted and S.B. No. 2616-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE COMPACT FOR EDUCATION", passed Second Reading and was referred to the Committee on Finance.

Representative Mizuguchi, for the Committee on Education, presented a report (Stand. Com. Rep. No. 718-78) recommending that S.B. No. 2602-78 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Mizuguchi, seconded by Representative Campbell and carried, the report of the Committee was adopted and S.B. No. 2602-78, entitled: "A BILL FOR AN ACT RELATING TO INACTIVE STUDENT ACTIVITY ACCOUNTS", passed Second Reading and was referred to the Committee on Finance.

Representative Mizuguchi, for the Committee on Education, presented a report (Stand. Com. Rep. No. 719-78) recommending that S.B. No. 113, SD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Mizuguchi, seconded by Representative Campbell and carried, the report of the Committee was adopted and S.B. No. 113, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF EDUCATION", passed Second Reading and was referred to the Committee on Finance.

Representative Shito, for the Committee on Housing, presented a report (Stand. Com. Rep. No. 720-78) recommending that S.B. No. 389, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Shito moved that the report of the Committee be adopted and that S.B. No. 389, SD 1, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Nakamura.

Representative Narvaes then rose to speak in favor of the bill, stating:

"Mr. Speaker, the purpose of the bill before us, as stated in the committee report, 'is to coordinate the State housing policy with the development of housing projects by' creating some new planning mechanics.

Mr. Speaker, if we go through the bill, on page 4 of the bill, we have some new language which is provided in the bill which reads: 'The authority shall solicit requests for project assistance by advertisement, as provided under section 103-26.' Mr. Speaker, that is good, but it doesn't do enough.

Mr. Speaker, I would like to read a statement which I'm taking right out of the Haskins and Sell Management letter of the Hawaii Housing Authority for the year ending June 30, 1976. This is what they say about the rejection of developers' cost estimates: Whereas, presently the authority is exempt from the State's competitive bidding requirements. As a result, the authority does not require developers to obtain competitive bids in State improvements and dwelling construction contracts. This practice may increase project cost and may be adverse to the authority's goal of providing low cost housing. To insure the construction costs are kept as low as possible, they recommended that the authority require developers to use competitive bids more frequently as a means of awarding contracts. Contracts which are awarded by other means, such as negotiated contracts, should be carefully reviewed by the authority's staff and the reasons for the omission of the bidding process adequately documented.

Anyway, to sum up what that says, is they say that perhaps the Hawaii Housing Authority should not be exempt from the bidding process, that they should be required to follow the bidding process.

Mr. Speaker, this bill is going to the Finance Committee, and there I would like to see the Finance Committee amend it to require that sections 103-22, 103-27 and 103-27 of the HRS would be placed in the language of this bill to require that the Hawaii Housing Authority follows advertising for public bidding, opening of bids, rejection of bids, but basically to get in sunshine, require more sunshine, in the bidding process of the Hawaii Housing Authority.

But this bill is a good thing still and I would like to urge all of my fellow colleagues to vote in favor of it."

The motion was put by the Chair and carried and the report of the Committee was adopted and S.B. No. 389, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING

TO HOUSING PLANNING", passed Second Reading and was referred to the Committee on Finance.

Representative Shito, for the Committee on Housing, presented a report (Stand. Com. Rep. No. 721-78) recommending that H.R. No. 265, as amended in HD 1, be adopted.

Representative Shito moved that notwithstanding the report of the Committee that H.R. No. 265, as amended in HD 1, be adopted, that Stand. Com. Rep. No. 721-78 and H.R. No. 265, as amended, be recommitted to the Committee on Housing.

Representative Nakamura seconded the motion.

Representative Shito then explained the recommitment, saying:

"The reason behind the recommitment is that the resolution addresses an interim committee and it should be referred to Legislative Management."

The motion was put by the Chair and carried and Stand. Com. Rep. No. 721-78 and H.R. No. 265, as amended, was recommitted to the Committee on Housing.

Representative Cayetano, for the Committee on Energy and Transportation, presented a report (Stand. Com. Rep. No. 722-78) recommending that H.R. No. 445 be referred to the Committee on Legislative Management.

On motion by Representative Cayetano, seconded by Representative Takamura and carried, the report of the Committee was adopted and H.R. No. 445, entitled: "HOUSE RESOLUTION REQUESTING AN INTERIM STUDY ON THE STATUS OF THE 1995 HONOLULU HARBOR MASTER PLAN'S IMPLEMENTATION", was referred to the Committee on Legislative Management.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 514 to 524) were referred to the Committee on Legislative Management and further action was deferred until tomorrow, March 21, 1978:

A resolution (H.R. No. 514) requesting the Department of Education to establish uniform standards and procedures to identify gifted and talented students within the public schools and to provide programs for such students was jointly offered by Representatives Mizuguchi,

Aki, Kiyabu, Lunasco, Machida, Morioka, Say, Segawa, Shito, Stanley, Toguchi, Uechi and Ushijima.

A resolution (H.R. No. 515) requesting the Governor to proclaim the week of April 16 through 23 as "Hawaii Gifted and Talented Children's Week" was jointly offered by Representatives Mizuguchi, Aki, Kiyabu, Lunasco, Machida, Morioka, Segawa, Shito, Stanley, Toguchi, Uechi and Ushijima.

A resolution (H.R. No. 516) requesting transportation services for residents of care and boarding homes was jointly offered by Representatives Cayetano, Aki and Takamura.

A resolution (H.R. No. 517) urging the City and County of Honolulu to assume responsibility for the operation and maintenance of the various non-public sewage treatment plants and related sewage systems in the Ewa Beach, Oahu, area was jointly offered by Representatives Peters, Aki, Dods, Blair, Caldito, Inaba, Kiyabu, Kunimura, Lunasco, Morioka, Say, Segawa, Suwa, Takamura, Ueoka, Uwaine, D. Yamada and K. Yamada.

A resolution (H.R. No. 518) requesting the Department of Taxation, the Department of Land and Natural Resources, the Department of Accounting and General Services, and the University of Hawaii to assist and cooperate in mapping of mahele grants and subsequent alienation of lands in Hawaii project by Ho'Ala Kanawai, Inc., and other native Hawaiian groups was offered by Representatives Peters and Kawakami.

A resolution (H.R. No. 519) requesting the State Department of Transportation to submit a progress report concerning the widening, realignment, and improvements to Fort Weaver Road, Oahu, was jointly offered by Representatives Peters, Aki, Caldito, Cayetano and Wakatsuki.

A resolution (H.R. No. 520) requesting the Department of Land and Natural Resources to study and submit a report of findings and recommendations concerning flooding problems in the ewa plains area, Oahu, was jointly offered by Representatives Peters, Aki, Caldito, Kihano, Shito, Uechi and Wakatsuki.

A resolution (H.R. No. 521) relating to renting of transient accommodations was jointly offered by Representatives Machida and D. Yamada.

A resolution (H.R. No. 522) requesting that the Department of Health develop recommendations for the implementation of a state-wide mandatory sanitation training course and certification program was jointly offered by Representatives D. Yamada and Ikeda.

A resolution (H.R. No. 523) expressing legislative support for the Hawaii career and college fair and encouraging increased participation by private businesses was jointly offered by Representatives Ushijima, Abercrombie, Ajifu, Aki, Blair, Caldito, Campbell, Carroll, Cobb, Dods, Evans, Garcia, Inaba, Kawakami, Kihano, Kiyabu, Kunimura, Larsen, Lunasco, Morioka, Naito, Narvaes, Peters, Poepoe, Say, Shito, Stanley, Sutton, Takamine, Takamura, Uechi, Ueoka, Uwaine, D. Yamada, K. Yamada and Yuen.

A resolution (H.R. No. 524) requesting the State Department of Agriculture to create a special logo to identify locally produced agricultural commodities which are certified as being of Hawaiian origin was jointly offered by Representatives Takamine, Blair, Cayetano, Evans, Inaba, Kiyabu, Lunasco, Machida, Naito, Segawa, Suwa, Takamura, Toguchi, Uechi, Uwaine, D. Yamada and K. Yamada.

The following resolutions (H.R. Nos. 525 to 527) were read by the Clerk and were disposed of as follows:

A resolution (H.R. No. 525) thanking and commending the students of Kaimuki Intermediate, Kawanakoa Intermediate, and Moanalua Intermediate Schools for their excellent string orchestra performance was jointly offered by Representatives Kiyabu, Wakatsuki, Naito, Uechi, Caldito, Campbell, Carroll, Cayetano, Dods, Ikeda, Inaba, Kihano, Kunimura, Lunasco, Medeiros, Mina, Mizuguchi, Morioka, Narvaes, Peters, Poepoe, Say, Shito, Suwa, Takamura, Toguchi, Ushijima, Uwaine, K. Yamada and Yuen.

On motion by Representative Kiyabu, seconded by Representative Uechi and carried, H.R. No. 525 was adopted.

A resolution (H.R. No. 526) commending the Aikahi Tiger's ponytails on their outstanding season was jointly offered by Representatives Yuen, Medeiros and Poepoe.

On motion by Representative Yuen, seconded by Representative Medeiros and carried, H.R. No. 526 was adopted.

A resolution (H.R. No. 527) honoring the March of Dimes and Cori-Linn

Ronolo, March of Dimes poster child was jointly offered by Representatives Yuen, Abercrombie, Ajifu, Aki, Blair, Caldito, Campbell, Carroll, Cayetano, Cobb, Dods, Evans, Garcia, Ikeda, Inaba, Kamalii, Kawakami, Kihano, Kiyabu, Kondo, Kunimura, Larsen, Lunasco, Machida, Medeiros, Mina, Mizuguchi, Morioka, Naito, Nakamura, Narvaes, Peters, Poepoe, Say, Segawa, Shito, Stanley, Sutton, Suwa, Takamine, Takamura, Toguchi, Uechi, Ueoka, Ushijima, Uwaine, D. Yamada and K. Yamada.

On motion by Representative Yuen, seconded by Representative Medeiros and carried, H.R. No. 527 was adopted.

By unanimous consent, the following resolutions (H.R. Nos. 528 to 530) and concurrent resolutions (H.C.R. Nos. 106 to 112) were referred to the Committee on Legislative Management and further action was deferred until tomorrow, March 21, 1978:

A resolution (H.R. No. 528) supporting the Department of Health in revising Chapter 37A water quality standards was jointly offered by Representatives Kawakami, Blair, Campbell, Cayetano, Cobb, Garcia, Lunasco, Peters, Segawa, Sutton, Suwa, Toguchi and Ueoka.

A resolution (H.R. No. 529) relating to encouraging research in tropical agriculture in Hawaii to help alleviate world hunger was jointly offered by Representatives Stanley, Uechi, Segawa, Garcia, Ikeda and Machida.

A resolution (H.R. No. 530) requesting a management audit of the University of Hawaii system was offered by Representative Ushijima.

A concurrent resolution (H.C.R. No. 106) requesting the Governor to proclaim the week of April 16 through 23 as "Hawaii Gifted and Talented Children's Week" was jointly offered by Representatives Mizuguchi, Aki, Kiyabu, Lunasco, Machida, Morioka, Say, Segawa, Shito, Stanley, Toguchi, Uechi and Ushijima.

A concurrent resolution (H.C.R. No. 107) requesting the State Department of Agriculture to create a special logo to identify locally produced agricultural commodities which are certified as being of Hawaiian origin was jointly offered by Representatives Takamine, Blair, Cayetano, Evans, Inaba, Kiyabu, Lunasco, Machida, Naito, Peters, Segawa,

Suwa, Takamura, Toguchi, Uechi, Uwaine, D. Yamada and K. Yamada.

A concurrent resolution (H.C.R. No. 108) requesting the Department of Taxation, the Department of Land and Natural Resources, the Department of Accounting and General Services, and the University of Hawaii to assist and cooperate in mapping of mahele grants and subsequent alienation of lands in Hawaii project by Ho'Ala Kanawai, Inc., and other native Hawaiian groups was jointly offered by Representatives Peters and Kawakami.

A concurrent resolution (H.C.R. No. 109) relating to renting of transient accommodations was jointly offered by Representatives Machida and D. Yamada.

A concurrent resolution (H.C.R. No. 110) relating to the management of fish in the Hawaiian archipelago was jointly offered by Representatives Kawakami, Say and Suwa.

A concurrent resolution (H.C.R. No. 111) supporting the Department of Health in revising Chapter 37A water quality standards was jointly offered by Representatives Kawakami, Blair, Campbell, Cayetano, Cobb, Garcia, Lunasco, Peters, Segawa, Sutton, Suwa, Toguchi and Ueoka.

A concurrent resolution (H.C.R. No. 112) requesting a management audit of the University of Hawaii system was offered by Representative Ushijima.

At 12:27 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:28 o'clock p.m.

SUSPENSION OF RULES

On motion by Representative Yuen, seconded by Representative Kamalii and carried, the rules were suspended for the purpose of taking up bills on Third Reading on the basis of a modified consent calendar.

THIRD READING

The following bills, which were on the calendar for Third Reading, were read throughout and the following actions taken:

S.B. No. 1757-78, SD 1, HD 1:

On motion by Representative Stanley,

seconded by Representative Uwaine, S.B. No. 1757-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROVISIONAL APPOINTMENTS OF PUBLIC EMPLOYEES", passed Third Reading by a vote of 47 ayes to 1 no, with Representative Sutton voting no, and Representatives Baker, Fong and Poepoe being excused.

S.B. No. 1759-78, HD 1:

On motion by Representative Stanley, seconded by Representative Uwaine, S.B. No. 1759-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LEAVES OF ABSENCE", passed Third Reading by a vote of 48 ayes, with Representatives Baker, Fong and Poepoe being excused.

S.B. No. 1756-78, HD 1:

On motion by Representative Stanley, seconded by Representative Uwaine, S.B. No. 1756-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NON-COMPETITIVE PROMOTIONS OF PUBLIC EMPLOYEES", passed Third Reading by a vote of 43 ayes to 5 noes, with Representatives Ajifu, Evans, Ikeda, Kamalii and Sutton voting no, and Representatives Baker, Fong and Poepoe being excused.

S.B. No. 1799-78, HD 1:

On motion by Representative Stanley, seconded by Representative Uwaine, S.B. No. 1799-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ESTABLISHMENT OF STATE POLICY CONCERNING THE UTILIZATION OF VOLUNTEER SERVICES IN STATE GOVERNMENT", passed Third Reading by a vote of 48 ayes, with Representatives Baker, Fong and Poepoe being excused.

S.B. No. 1682-78, SD 1, HD 1:

On motion by Representative Takamine, seconded by Representative Peters, S.B. No. 1682-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNLAWFUL SUSPENSION OR DISCHARGE FROM EMPLOYMENT", passed Third Reading by a vote of 48 ayes, with Representatives Baker, Fong and Poepoe being excused.

S.B. No. 1623-78:

On motion by Representative Suwa, seconded by Representative Peters,

S.B. No. 1623-78, entitled: "A BILL FOR AN ACT RELATING TO GENERAL AND SPECIAL FUND REALIZATIONS", passed Third Reading by a vote of 48 ayes, with Representatives Baker, Fong and Poepoe being excused.

S.B. No. 2612-78, SD 1:

On motion by Representative Suwa, seconded by Representative Peters, S.B. No. 2612-78, SD 1, entitled: "A BILL FOR AN ACT RELATING TO REVENUE BONDS ISSUED BY THE STATE OF HAWAII", passed Third Reading by a vote of 48 ayes, with Representatives Baker, Fong and Poepoe being excused.

The Chair directed the Clerk to note that S.B. Nos. 1757-78, SD 1, HD 1, and 1759-78, HD 1, had passed Third Reading at 12:28 o'clock p.m.; 1756-78, HD 1, and 1799-78, HD 1, at 12:29 o'clock p.m.; 1682-78, SD 1, HD 1, 1623-78, and 2612-78, SD 1, at 12:30 o'clock p.m.

STANDING COMMITTEE REPORTS

Representative Segawa, for the Committee on Health, presented a report (Stand. Com. Rep. No. 723-78) recommending that S.B. No. 2386-78, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Segawa, seconded by Representative Shito and carried, the report of the Committee was adopted and S.B. No. 2386-78, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE COMPREHENSIVE EMERGENCY MEDICAL SERVICES SYSTEM", passed Second Reading and was referred to the Committee on Finance, with Representative Sutton voting no.

Representative Segawa, for the Committee on Health, presented a report (Stand. Com. Rep. No. 724-78) recommending that S.B. No. 1752-78, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Segawa, seconded by Representative Shito and carried, the report of the Committee was adopted and S.B. No. 1752-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FREE EMERGENCY AMBULANCE SERVICE", passed Second Reading and was referred to the Committee on Finance.

Representative Kunimura, for the Committee on Legislative Management, presented a report (Stand. Com. Rep.

No. 725-78) informing the House that House Resolution Nos. 489 to 497, House Concurrent Resolution No. 101, and House Standing Committee Report Nos. 682-78 to 709-78 had been printed and distributed.

On motion by Representative Kunimura, seconded by Representative Lunasco and carried, the report of the Committee was adopted.

At 12:31 o'clock p.m., the Chair declared a recess, subject to the

call of the Chair.

The House of Representatives reconvened at 12:40 o'clock p.m.

ADJOURNMENT

At 12:46 o'clock p.m., on motion by Representative Yuen, seconded by Representative Kamalii and carried, the House of Representatives adjourned until 11:00 o'clock a.m. tomorrow, Tuesday, March 21, 1978.

FORTY-FOURTH DAY

Tuesday, March 21, 1978

The House of Representatives of the Ninth Legislature of the State of Hawaii, Regular Session of 1978, convened at 11:00 o'clock a.m., with the Vice Speaker presiding.

The Divine Blessing was invoked by the Reverend Rubin L. Creel of the First Baptist Church of Ewa Beach, after which the Roll was called showing all members present with the exception of Representatives Abercrombie, Baker, Blair, Caldito, Garcia, Nakamura, Suwa, Takamura, Wakatsuki and Yuen, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Forty-Third Day.

On motion by Representative Kondo, seconded by Representative Kamalii and carried, reading of the Journal was dispensed with and the Journal of the Forty-Third Day was approved.

At 11:11 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:13 o'clock a.m., the Chair directed the Clerk to note the presence of Representatives Caldito, Nakamura and Yuen.

At this time, the following introductions were made to the members of the House:

Representative Sutton introduced Ms. Joy Schaefer from Salem, Oregon.

Representative Lunasco introduced 72 fourth, fifth and sixth grade students from Kahuku High School. They were accompanied by their teachers, Mr. Oshima, Mr. Yahata, Mrs. Nod and Mrs. Kalama.

Representative Kondo introduced a former colleague from his own sixth district, Mrs. Velma Santos.

Representative Naito introduced 18 fifth grade students from Jefferson School. They were accompanied by their teacher, Ms. Fran Nikaido.

SUSPENSION OF RULES

On motion by Representative Yuen,

seconded by Representative Kamalii and carried, the rules were suspended for the purpose of considering a resolution.

INTRODUCTION OF RESOLUTION

A resolution (H.R. No. 531) commending and congratulating Kaimuki Intermediate School for its third consecutive victory in the "Mathematics Papahana" was jointly offered by Representatives Kiyabu, Abercrombie, Aki, Blair, Caldito, Campbell, Cayetano, Cobb, Dods, Evans, Inaba, Kawakami, Kihano, Kondo, Kunimura, Larsen, Lunasco, Machida, Mina, Mizuguchi, Morioka, Naito, Narvaes, Peters, Say, Shito, Stanley, Sutton, Suwa, Takamine, Toguchi, Uechi, Ueoka, Ushijima, Uwaine, D. Yamada and K. Yamada.

On motion by Representative Kiyabu, seconded by Representative Naito and carried, H.R. No. 531 was adopted.

At this time, Representative Kiyabu proceeded to introduce the honorees, stating:

"Mr. Speaker, in this day and age when the major publicity of schools is in the area of violence and failure of students in basic skills of math, but it is doubly rewarding that these students from Kaimuki Intermediate School have won the contest for three consecutive years, coming ahead of the private schools like Punahou and Iolani, and which makes me very proud that our public school system isn't that bad as many people would like to think."

Representative Kiyabu then introduced the individual winners, Abraham Oren and Mike Takasaki; teachers, Mrs. Claire Mizokami and Audry Kanesue; and Mr. Elvin Low, principal of Kaimuki Intermediate School. Seated in the gallery were the remaining members of the team.

Representatives Say, Morioka, Naito, Ikeda and Stanley presented leis to the honorees, and certified copies of the resolution were presented by Representative Kiyabu.

At 11:20 o'clock a.m., the Chair declared a recess, subject to the call of the Chair, for the purpose of meeting the honored guests.

Upon reconvening at 11:23 o'clock a.m., the Chair directed the Clerk

to note the presence of Representatives Blair, Garcia and Takamura.

ORDER OF THE DAY

DEFERRED RESOLUTIONS

The following resolutions (H.R. Nos. 514 to 524 and 528 to 530) and concurrent resolutions (H.C.R. Nos. 106 to 112) were disposed of as follows:

<u>H.R. Nos.</u>	<u>Referred to:</u>
514	Committee on Education, then to the Committee on Finance
515	Jointly to the Committees on Youth and Elderly Affairs and Education
516	Jointly to the Committees on Health, Youth and Elderly Affairs and Public Assistance and Human Services, then to the Committee on Finance
517	Committee on Water, Land Use, Development and Hawaiian Homes
518	Committee on Water, Land Use, Development and Hawaiian Homes, then to the Committee on Finance
519	Committee on Energy and Transportation
520	Committee on Water, Land Use, Development and Hawaiian Homes, then to the Committee on Finance
521	Committee on Consumer Protection and Commerce
522	Committee on Health, then to the Committee on Finance
523	Committee on Higher Education
524	Committee on Agriculture, then to the Committee on Finance
528	Jointly to the Committees on Water, Land Use, Development and Hawaiian Homes and Ecology and Environment
529	Committee on Agriculture
530	Committee on Higher Education, then to the Committee on Legislative Management

H.C.R. Nos.

106	Jointly to the Committees on Youth and Elderly Affairs and Education
107	Committee on Agriculture, then to the Committee on Finance
108	Committee on Water, Land Use, Development and Hawaiian Homes, then to the Committee on Finance
109	Committee on Consumer Protection and Commerce
110	Committee on Water, Land Use, Development and Hawaiian Homes
111	Jointly to the Committees on Water, Land Use, Development and Hawaiian Homes and Ecology and Environment
112	Committee on Higher Education, then to the Committee on Legislative Management

STANDING COMMITTEE REPORTS

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 726-78) recommending that S.B. No. 2200-78, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Peters, seconded by Representative Morioka and carried, the report of the Committee was adopted and S.B. No. 2200-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 22, 1978.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 727-78) recommending that S.B. No. 2302-78, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Peters, seconded by Representative Morioka and carried, the report of the Committee was adopted and S.B. No. 2302-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BONDS ISSUED BY THE COUNTIES", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 22, 1978.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 728-78) recommending that S.B. No. 2414-78, SD 2, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Peters, seconded by Representative Morioka and carried, the report of the Committee was adopted and S.B. No. 2414-78, SD 2, entitled: "A BILL FOR AN ACT RELATING TO RETIREMENT SYSTEM INVESTMENTS", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 22, 1978.

The Chair directed the Clerk to note that printed copies of S.B. Nos. 2200-78, HD 1; 2302-78, HD 1; and 2414-78, SD 2, were made available to the members of the House at 11:00 o'clock a.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 729-78) recommending that S.B. No. 350, SD 2, as amended in HD 2, pass Third Reading.

By unanimous consent, action on S.B. No. 350, SD 2, HD 2, was deferred until tomorrow, March 22, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 350, SD 2, HD 2, were made available to the members of the House at 11:00 o'clock a.m.

Representative Stanley, for the Committee on Public Employment and Government Operations, presented a report (Stand. Com. Rep. No. 730-78) recommending that S.B. No. 1533-78, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Stanley, seconded by Representative Uwaine and carried, the report of the Committee was adopted and S.B. No. 1533-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO IN-SERVICE TRAINING PROGRAMS", passed Second Reading and was referred to the Committee on Finance.

Representative Stanley, for the Committee on Public Employment and Government Operations, presented a report (Stand. Com. Rep. No. 731-78) recommending that S.B. No. 2559-78, as amended in HD 1, pass Second Reading and be referred

to the Committee on Finance.

On motion by Representative Stanley, seconded by Representative Uwaine and carried, the report of the Committee was adopted and S.B. No. 2559-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONSTITUTIONAL CONVENTION", passed Second Reading and was referred to the Committee on Finance.

At 11:25 o'clock a.m., on request by Representative Campbell, the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 11:27 o'clock a.m.

Representative Takamine, for the Committee on Employment Opportunities and Labor Relations, presented a report (Stand. Com. Rep. No. 732-78) recommending that S.B. No. 1985-78 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Takamine, seconded by Representative Peters and carried, the report of the Committee was adopted and S.B. No. 1985-78, entitled: "A BILL FOR AN ACT RELATING TO THE STATE PROGRAM FOR THE UNEMPLOYED", passed Second Reading and was referred to the Committee on Finance.

Representative Uechi, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 733-78) recommending that S.B. No. 2005-78, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Inaba, seconded by Representative Lunasco and carried, the report of the Committee was adopted and S.B. No. 2005-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FARM LOANS", passed Second Reading and was referred to the Committee on Finance.

Representative Uechi, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 734-78) recommending that S.B. No. 2279-78, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Inaba, seconded by Representative Lunasco and carried, the report of the Committee was adopted and S.B. No. 2279-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FARM LOANS", passed Second Reading and was referred to the Committee on Finance.

Representative Blair, for the Committee on Ecology and Environment, presented a report (Stand. Com. Rep. No. 735-78) recommending that H.R. No. 148, as amended in HD 1, be adopted.

On motion by Representative Blair, seconded by Representative Larsen and carried, the report of the Committee was adopted and H.R. No. 148, HD 1, entitled: "HOUSE RESOLUTION CONGRATULATING THE U.S. ARMY ON PREPARING AN ENVIRONMENTAL IMPACT STUDY ON HAWAII", was adopted.

Representative Cayetano, for the Committee on Energy and Transportation, presented a report (Stand. Com. Rep. No. 736-78) recommending that H.R. No. 429 be adopted.

On motion by Representative Cayetano, seconded by Representative Takamura and carried, the report of the Committee was adopted and H.R. No. 429, entitled: "HOUSE RESOLUTION REQUESTING THE STATE DEPARTMENT OF TRANSPORTATION TO SUBMIT A STATUS REPORT ON THE SECOND OAHU DEEP DRAFT HARBOR, AT BARBERS POINT", was adopted.

Representative Cayetano, for the Committee on Energy and Transportation, presented a report (Stand. Com. Rep. No. 737-78) recommending that H.R. No. 364, as amended in HD 1, be adopted.

On motion by Representative Cayetano, seconded by Representative Takamura and carried, the report of the Committee was adopted and H.R. No. 364, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE FEDERAL AVIATION ADMINISTRATION TO REROUTE HELICOPTER AND OTHER SMALL AIRCRAFT FLIGHTS AND AVOID DIRECT FLIGHTS OVER THE COMMUNITIES OF ST. LOUIS HEIGHTS, PALOLO VALLEY, MAUNALANI HEIGHTS, KAHALA HEIGHTS, MOILIILI, KAPAHULU, AND HAWAII KAI", was adopted.

Representative Shito, for the majority of the Committee on Housing, presented a report (Stand. Com. Rep. No. 738-78) recommending that S.B. No. 71, SD 3, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Shito, seconded by Representative Nakamura and carried, the report of the majority of the Committee was adopted and S.B. No. 71, SD 3, HD 1, entitled: "A BILL FOR AN ACT RELATING

TO HOUSING", passed Second Reading and was referred to the Committee on Finance, with Representatives Narvaes and Sutton voting no.

Representative Garcia, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 739-78) recommending that S.B. No. 1690-78, SD1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Garcia, seconded by Representative K. Yamada and carried, the report of the Committee was adopted and S.B. No. 1690-78, SD 1, entitled: "A BILL FOR AN ACT RELATING TO USE OF CREDIT CARDS", passed Second Reading and was referred to the Committee on Finance.

Representative Garcia, for the majority of the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 740-78) recommending that S.B. No. 1622-78, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Garcia moved that the report of the majority of the Committee be adopted and S.B. No. 1622-78, SD 1, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative K. Yamada.

Representative Kamalii then rose and stated:

"I just want to record some 'no' votes, Mr. Speaker, and in recording the 'no' votes, I wanted it reflected in the Journal that the 'no' votes that are going to be recorded in Standing Committee Report 740-78 on S.B. No. 1622-78, SD 1, HD 1, is in opposition to the allowing of John E. and Aiko Reineke the \$250,000."

The motion was put by the Chair and carried, and the report of the majority of the Committee was adopted and S.B. No. 1622-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RELIEF OF CERTAIN PERSONS' CLAIMS AGAINST THE STATE AND PROVIDING APPROPRIATIONS THEREFOR", passed Second Reading and was referred to the Committee on Finance, with Representatives Ajifu, Cobb, Evans, Ikeda, Larsen, Kamalii, Medeiros, Narvaes, Poepoe and Sutton voting no.

Representative Garcia, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 741-78) recommending that S.B. No. 2463-78; SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on

Finance.

On motion by Representative Garcia, seconded by Representative K. Yamada and carried, the report of the Committee was adopted and S.B. No. 2463-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL PROSECUTION", passed Second Reading and was referred to the Committee on Finance.

Representative Ushijima, for the Committee on Public Assistance and Human Services, presented a report (Stand. Com. Rep. No. 742-78) recommending that S.B. No. 1469, SD 1, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Ushijima, seconded by Representative Yuen and carried, the report of the Committee was adopted and S.B. No. 1469, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE", was referred to the Committee on Finance, with Representative Stanley voting no.

Representative Ushijima, for the Committee on Public Assistance and Human Services, presented a report (Stand. Com. Rep. No. 743-78) recommending that S.B. No. 2620-78, SD 2, be referred to the Committee on Finance.

On motion by Representative Ushijima, seconded by Representative Yuen and carried, the report of the Committee was adopted and S.B. No. 2620-78, SD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE", was referred to the Committee on Finance.

Representatives Mizuguchi and Stanley, for the Committees on Education and Public Employment and Government Operations, presented a joint report (Stand. Com. Rep. No. 744-78) recommending that S.B. No. 2114-78, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Mizuguchi, seconded by Representative Stanley and carried, the joint report of the Committees was adopted and S.B. No. 2114-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO A JOB-SHARING PILOT PROJECT IN THE DEPARTMENT OF EDUCATION", passed Second Reading and was referred to the Committee on Finance.

Representatives Cayetano and

Stanley, for the Committees on Energy and Transportation and Public Employment and Government Operations, presented a joint report (Stand. Com. Rep. No. 745-78) recommending that S.B. No. 1591-78, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Cayetano, seconded by Representative Stanley and carried, the joint report of the Committees was adopted and S.B. No. 1591-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY EFFICIENT PROCUREMENT PRACTICES", passed Second Reading and was referred to the Committee on Finance.

Representative Cayetano, for the Committee on Energy and Transportation, presented a report (Stand. Com. Rep. No. 746-78) recommending that S.B. No. 1597-78, SD 1, be referred to the Committee on Finance.

On motion by Representative Cayetano, seconded by Representative Takamura and carried, the report of the Committee was adopted and S.B. No. 1597-78, SD 1, entitled: "A BILL FOR AN ACT RELATING TO TAX INCENTIVES FOR ENERGY CONSERVATION", was referred to the Committee on Finance.

Representative Cayetano, for the Committee on Energy and Transportation, presented a report (Stand. Com. Rep. No. 747-78) recommending that S.B. No. 2190-78 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Cayetano, seconded by Representative Takamura and carried, the report of the Committee was adopted and S.B. No. 2190-78, entitled: "A BILL FOR AN ACT RELATING TO FEDERAL-AID HIGHWAYS", passed Second Reading and was referred to the Committee on Finance.

Representative Cayetano, for the Committee on Energy and Transportation, presented a report (Stand. Com. Rep. No. 748-78) recommending that S.B. No. 1581-78, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Cayetano, seconded by Representative Takamura and carried, the report of the Committee was adopted and S.B. No. 1581-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AN APPROPRIATION FOR RESEARCH, DEVELOPMENT, DEMONSTRATION, AND UTILIZATION

OF ALTERNATE ENERGY SOURCES FOR HAWAII", passed Second Reading and was referred to the Committee on Finance.

Representative Cayetano, for the Committee on Energy and Transportation, presented a report (Stand. Com. Rep. No. 749-78) recommending that S.B. No. 782, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Cayetano, seconded by Representative Takamura and carried, the report of the Committee was adopted and S.B. No. 782, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR-BIKES", passed Second Reading and was referred to the Committee on Judiciary, with Representative Naito voting no.

Representative Machida, for the Committee on Tourism, presented a report (Stand. Com. Rep. No. 750-78) recommending that S.B. No. 2523-78, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

Representative Machida moved that the report of the Committee be adopted and S.B. No. 2523-78, SD 2, HD 1, pass Second Reading and be referred to the Committee on Consumer Protection and Commerce, seconded by Representative Dods.

Representative Sutton then rose and asked for a conflict ruling, saying that he is an owner of a hotel.

The Chair ruled that there was "no conflict" and Representative Sutton was not excused from voting on this measure.

The motion was put by the Chair and carried, and the report of the Committee was adopted, and S.B. No. 2523-78, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOTELS", passed Second Reading and was referred to the Committee on Consumer Protection and Commerce, with Representative Peters voting no.

Representative Ushijima, for the Committee on Public Assistance and Human Services, presented a report (Stand. Com. Rep. No. 751-78) recommending that H.C.R. No. 95 be referred to the Committee on Finance.

On motion by Representative Ushijima, seconded by Representative Yuen and carried, the report of the Committee was adopted and H.C.R. No. 95, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE UNITED STATES CONGRESS TO ENACT APPROPRIATE LEGISLATION WHICH WILL TRANSFER TOTAL RESPONSIBILITY FOR ADMINISTERING AND FINANCING PUBLIC ASSISTANCE PROGRAMS TO THE FEDERAL GOVERNMENT", was referred to the Committee on Finance.

Representative Ushijima, for the Committee on Public Assistance and Human Services, presented a report (Stand. Com. Rep. No. 752-78) recommending that H.R. No. 471 be referred to the Committee on Finance.

On motion by Representative Ushijima, seconded by Representative Yuen and carried, the report of the Committee was adopted and H.R. No. 471, entitled: "HOUSE RESOLUTION REQUESTING THE UNITED STATES CONGRESS TO ENACT APPROPRIATE LEGISLATION WHICH WILL TRANSFER TOTAL RESPONSIBILITY FOR ADMINISTERING AND FINANCING PUBLIC ASSISTANCE PROGRAMS TO THE FEDERAL GOVERNMENT", was referred to the Committee on Finance.

Representative Cayetano, for the Committee on Energy and Transportation, presented a report (Stand. Com. Rep. No. 753-78) recommending that H.R. No. 351 be referred to the Committee on Finance.

On motion by Representative Cayetano, seconded by Representative Takamura and carried, the report of the Committee was adopted and H.R. No. 351, entitled: "HOUSE RESOLUTION REQUESTING THE GOVERNOR TO RELEASE FUNDS FOR IMPROVEMENTS IN THE KALIHI VALLEY AREA", was referred to the Committee on Finance.

Representative Stanley, for the Committee on Public Employment and Government Operations, presented a report (Stand. Com. Rep. No. 754-78) recommending that S.B. No. 36, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Stanley, seconded by Representative Uwayne and carried, the report of the Committee was adopted and S.B. No. 36, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INTERGOVERNMENTAL TRANSFER OF EMPLOYEES", passed Second Reading and was referred to the Committee on Finance.

Representative Stanley, for the

majority of the Committee on Public Employment and Government Operations, presented a report (Stand. Com. Rep. No. 755-78) recommending that S.B. No. 1787-78, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Stanley, seconded by Representative Uwayne and carried, the report of the majority of the Committee was adopted and S.B. No. 1787-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT", passed Second Reading and was referred to the Committee on Finance, with Representatives Cayetano, Evans, Garcia, Sutton and Ueoka voting no.

At 11:44 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 11:45 o'clock a.m.

Representative Cayetano, for the Committee on Energy and Transportation, presented a report (Stand. Com. Rep. No. 756-78) recommending that S.B. No. 1811-78, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Cayetano, seconded by Representative Takamura and carried, the report of the Committee was adopted and S.B. No. 1811-78, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AN INTER-ISLAND FERRY SYSTEM AND MAKING AN APPROPRIATION THEREFOR", passed Second Reading and was referred to the Committee on Finance, with Representative Sutton voting no.

Representatives Ushijima and Garcia, for the Committees on Public Assistance and Human Services and Judiciary, presented a joint report (Stand. Com. Rep. No. 757-78) recommending that S.B. No. 2609-78, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Ushijima, seconded by Representative Garcia and carried, the report of the Committee was adopted and S.B. No. 2609-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF SOCIAL SERVICES AND HOUSING", passed Second

Reading and was referred to the Committee on Finance, with Representative Sutton voting no.

Representative Ushijima, for the majority of the Committee on Public Assistance and Human Services, presented a report (Stand. Com. Rep. No. 758-78) recommending that S.B. No. 1782-78, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Ushijima, seconded by Representative Yuen and carried, the report of the majority of the Committee was adopted and S.B. No. 1782-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE", was referred to the Committee on Finance, with Representatives Garcia and Sutton voting no.

Representative Kunimura, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 759-78) informing the House that House Resolution Nos. 498 to 512, House Concurrent Resolution Nos. 102 to 105, and Standing Committee Report Nos. 711-78 to 724-78, have been printed and distributed.

On motion by Representative Kunimura, seconded by Representative Lunasco and carried, the report of the Committee was adopted.

At 11:47 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:50 o'clock a.m., the Speaker assumed the rostrum.

Representative Ueoka then introduced two guests from the 'Peanut State', Georgia: Mr. Walter Gage, "A graduate of my law school, Washburn, in Topeka, Kansas", and a former legislator of the State of Georgia, Jack Gordon.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 532 to 536) were referred to the Committee on Legislative Management and further action was deferred until tomorrow, March 22, 1978:

A resolution (H.R. No. 532) requesting the United States Department of Health, Education and Welfare to continue support of the University of Hawaii Teacher Corps In-Service Training Program in the 13th Cycle Teacher

Corps Project-1978 was jointly offered by Representatives Say, Morioka and Mizuguchi.

A resolution (H.R. No. 533) requesting that the Department of Education conduct a feasibility study on establishing a Hawaiian Studies Program in the public school curriculum was offered by Representative Say.

A resolution (H.R. No. 534) requesting restoration of the grounds of Iolani Palace to the days of the monarchy was jointly offered by Representatives Sutton and Say.

A resolution (H.R. No. 535) requesting a feasibility study of the establishment of a Hawaii Career Executive Service and Management Compensation Plan was offered by Representative Stanley.

A resolution (H.R. No. 536) relating to the Hawaii Insurance Law was jointly offered by Representatives D. Yamada and Dods.

The following resolutions (H.R. No. 537 and 538) were read by the Clerk and were disposed of as follows:

A resolution (H.R. No. 537) congratulating Ke Kua'ana Nui, Hawaii Big Sisters Inc., for exemplary activities in providing meaningful programs and relationships for young girls was jointly offered by Representatives Evans, Abercrombie, Ajifu, Aki, Blair, Caldito, Campbell, Cobb, Dods, Ikeda, Inaba, Kamalii, Kiyabu, Larsen, Lunasco, Medeiros, Mina, Narvaes, Peters, Poepoe, Segawa, Sutton, Takamura, Ueoka, Uwaine, D. Yamada and K. Yamada.

On motion by Representative Evans, seconded by Representative Ajifu and carried, H.R. No. 537 was adopted.

A resolution (H.R. No. 538) commending and thanking Hawaii Trucking Association for publishing and distributing "The Story of a Bill" was jointly offered by Representatives D. Yamada, Caldito, Cobb, Fong, Ikeda, Inaba, Kihano, Kunimura, Lunasco, Medeiros, Morioka, Naito, Poepoe, Segawa, Takamura, Toguchi, Uechi, Ueoka, Uwaine and K. Yamada.

On motion by Representative Cobb, seconded by Representative Yuen and carried, H.R. No. 538 was adopted.

By unanimous consent, the following

resolutions (H.R. Nos. 539 and 540) and concurrent resolutions (H.C.R. Nos. 113 to 118) were referred to the Committee on Legislative Management and further action was deferred until tomorrow, March 22, 1978:

A resolution (H.R. No. 539) requesting a study on the feasibility of establishing a permanent Senior Citizens Activity Center in Kapahulu was jointly offered by Representatives Kiyabu, Blair, Campbell, Cobb, Dods, Machida, Medeiros, Mina, Morioka, Naito, Nakamura, Say, Segawa, Shito, Takamine and Yuen.

A resolution (H.R. No. 540) requesting the designation of certain government lands in the Kakaako district, Oahu, (Fort Armstrong-Kewalo Peninsula) for use as a waterfront park and early development of said park was jointly offered by Representatives Blair, Stanley, Campbell, Cayetano, Cobb, Dods, Garcia, Kawakami, Kondo, Kunimura, Lunasco, Morioka, Peters, Say, Segawa, Shito, Takamura, Toguchi, Ueoka and Wakatsuki.

A concurrent resolution (H.C.R. No. 113) requesting the United States Department of Health, Education and Welfare to continue support of the University of Hawaii Teacher Corps In-Service Training Program in the 13th Cycle Teacher Corps Project-1978 was jointly offered by Representatives Say, Morioka and Mizuguchi.

A concurrent resolution (H.C.R. No. 114) requesting the development of a current general plan for the continuing restoration of the Iolani Palace complex was offered by Representative Say.

A concurrent resolution (H.C.R. No. 115) requesting a feasibility study of the establishment of a Hawaii Career Executive Service and Management Compensation Plan was offered by Representative Stanley.

A concurrent resolution (H.C.R. No. 116) relating to the Hawaii Insurance Law was jointly offered by Representatives D. Yamada and Dods.

A concurrent resolution (H.C.R. No. 117) requesting a study on the feasibility of establishing a permanent Senior Citizens Activity Center in Kapahulu was jointly offered by Representatives Kiyabu, Blair, Campbell, Cobb, Dods, Machida, Medeiros, Mina, Morioka, Naito, Nakamura, Say, Segawa, Shito, Takamine and Yuen.

A concurrent resolution (H.C.R. No. 118) requesting the designation

of certain government lands in the Kakaako district, Oahu, (Fort Armstrong-Kewalo Peninsula) for use as a waterfront park and early development of said park was jointly offered by Representatives Blair, Stanley, Campbell, Cayetano, Cobb, Dods, Garcia, Kawakami, Kondo, Kunimura, Lunasco, Morioka, Peters, Say, Segawa, Shito, Takamura, Toguchi, Ueoka and Wakatsuki.

SUSPENSION OF RULES

On motion by Representative Yuen, seconded by Representative Kamalii and carried, the rules were suspended for the purpose of taking up bills on Final Reading on the basis of a modified consent calendar.

DISPOSITION OF MATTERS PLACED ON THE CLERK'S DESK

By unanimous consent, H.B. No. 1912-78, HD 1, as amended by the Senate, was taken from the Clerk's desk.

Representative Cayetano moved that the House agree to the amendments proposed by the Senate to H.B. No. 1912-78, HD 1, and H.B. No. 1912-78, HD 1, as amended, having been read throughout, pass Final Reading, seconded by Representative Takamura.

Representative Cayetano then explained the amendment, stating:

"The purpose of the bill is to provide uniformity of state and federal requirements for exterior marking on motor vehicles transporting hazardous materials. The House version did not contain a penalty clause for enforcement. The Senate amended the bill to so provide, and on that basis, I am asking my colleagues to vote for the motion."

The motion was put by the Chair and carried, and the House agreed to the amendments proposed by the Senate to H.B. No. 1912-78, HD 1, and H.B. No. 1912-78, HD 1, SD 1, entitled: "A BILL FOR AN ACT RELATING TO HAZARDOUS MATERIALS TRANSPORTED UPON

HIGHWAYS", having been read throughout, passed Final Reading by a vote of 49 ayes, with Representatives Abercrombie and Baker being excused.

The Chair directed the Clerk to note that H.B. No. 1912-78 had passed Final Reading at 11:52 o'clock a.m.

By unanimous consent, H.B. No. 2166-78, HD 2, as amended by the Senate, was taken from the Clerk's desk.

Representative Cayetano moved that the House disagree to the amendments proposed by the Senate to H.B. No. 2166-78, HD 2, seconded by Representative Takamura.

Representative Cayetano then explained the reason for the disagreement, saying:

"Mr. Speaker, this bill involves the functions of the Energy Resources Coordinator. The House version included a provision for review by the Legislature of the rules and regulations established by the Energy Resources Coordinator. The Senate has deleted that provision."

The motion was put by the Chair and carried, and the House disagreed to the amendments proposed by the Senate to H.B. No. 2166-78, HD 2, and requested a conference on the subject matter of said amendments.

By unanimous consent, naming of the conferees on the part of the House was deferred.

At 11:55 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 11:57 o'clock a.m.

ADJOURNMENT

At 11:58 o'clock a.m., on motion by Representative Yuen, seconded by Representative Kamalii and carried, the House of Representatives adjourned to 11:00 o'clock a.m. tomorrow, Wednesday, March 22, 1978.

FORTY-FIFTH DAY

Wednesday, March 22, 1978

The House of Representatives of the Ninth Legislature of the State of Hawaii, Regular Session of 1978, convened at 11:00 o'clock a.m., with the Speaker presiding.

The Divine Blessing was invoked by the Reverend Steve Hanashiro of the United Church of Christ, after which the Roll was called showing all members present with the exception of Representatives Abercrombie, Baker, Garcia, Naito, Nakamura, Toguchi and D. Yamada, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Forty-Fourth Day.

On motion by Representative Yuen, seconded by Representative Kamalii and carried, reading of the Journal was dispensed with and the Journal of the Forty-Fourth Day was approved.

GOVERNOR'S MESSAGE

A message from the Governor (Gov. Msg. No. 99) transmitting copies of the joint agreement of cooperation between the Advisory Council for Children and Youth and the Juvenile Justice Coordinating Council, pursuant to Act 207-76, SLH, Chapter 581-32, HRS, was read by the Clerk and was placed on file.

MISCELLANEOUS COMMUNICATIONS

The following communications (Misc. Com. Nos. 15 and 16) were read by the Clerk and were disposed of as follows:

A communication from the Honorable Spark Matsunaga (Misc. Com. No. 15) acknowledging receipt of House Resolution No. 104, was placed on file.

A communication from Juan C. Dionisio, editor and publisher of the HAWAII FILIPINO NEWS (Misc. Com. No. 16) acknowledging receipt of House Resolution No. 451, was placed on file.

At this time, the following introductions were made to the members of the House:

Representative Takamura introduced thirty McKinley High School seniors.

Representative Ueoka introduced eighty-two students from Lihikai Elementary School from Kahului, Maui. They were accompanied by the following parents: Mrs. Midori Tomita, Mrs. Gloria Pelazar, Mrs. Carol Tomooka, Mrs. Fujiko Iwamoto, Mrs. Cindy Orsted, Mrs. Bernice Yoshihara, Mrs. Jeanette Bernard, Rev. Ted Smith and Mr. Hiroshi Hirozawa; and teachers: Mrs. Florentine Smith, Mrs. Sharon Yanagida, Mr. Roy Nakasone and Mrs. Judy Matoi.

Sixty-five 6th grade students from Liholiho Elementary School were introduced by Representative Kiyabu. They were accompanied by their teachers, Doris Wataya, Fred Trupiano and Sakaye Fujii.

ORDER OF THE DAY

DEFERRED RESOLUTIONS

The following resolutions (H.R. Nos. 532 to 536, 539 and 540) and concurrent resolutions (H.C.R. Nos. 113 to 118) were disposed of as follows:

<u>H.R. Nos.</u>	<u>Referred to:</u>
532	Jointly to the Committees on Higher Education and Education
533	Committee on Education, then to the Committee on Finance
534	Jointly to the Committees on Culture and the Arts and Water, Land Use, Development and Hawaiian Homes, then to the Committee on Finance
535	Committee on Public Employment and Government Operations, then to the Committee on Finance
536	Committee on Consumer Protection and Commerce, then to the Committee on Finance
539	Committee on Youth and Elderly Affairs, then to the Committee on Legislative Management
540	Committee on Water, Land Use, Development and Hawaiian Homes, then to the Committee on Finance

H.C.R. Nos.

- 113 Jointly to the Committees
on Higher Education and Education
- 114 Jointly to the Committees
on Culture and the Arts and Water,
Land Use, Development and Hawaiian
Homes, then to the Committee
on Finance
- 115 Committee on Public
Employment and Government
Operations, then to the Committee
on Finance
- 116 Committee on Consumer
Protection and Commerce, then to
the Committee on Finance
- 117 Committee on Youth
and Elderly Affairs, then to the
Committee on Legislative Management
- 118 Committee on Water,
Land Use, Development and Hawaiian
Homes, then to the Committee
on Finance

COMMITTEE REASSIGNMENT

The following were re-referred
as follows:

<u>S.B. Nos.</u>	<u>Re-referred to:</u>
782	Committee on Energy and Transportation
2590-78	Jointly to the Committees on Corrections and Rehabilitation and Judiciary, then to the Committee on Finance
2591-78	Jointly to the Committees on Corrections and Rehabilitation and Judiciary, then to the Committee on Finance

H.R. No.

- 265 Committee on Housing,
then to the Committee on Legislative
Management

SUSPENSION OF RULES

On motion by Representative Yuen,
seconded by Representative Kamalii
and carried, the rules were suspended
for the purpose of allowing members
to offer resolutions.

INTRODUCTION OF RESOLUTIONS

The following resolutions (H.R.
Nos. 541 and 542) were read by
the Clerk and were disposed of

as follows:

A resolution (H.R. No. 541) congratulating and honoring Ron "Whodaguy" Jacobs for his contributions to Hawaii radio was jointly offered by Representatives Carroll, Abercrombie, Aki, Blair, Campbell, Cayetano, Cobb, Evans, Fong, Garcia, Ikeda, Inaba, Kamalii, Kihano, Kunimura, Larsen, Lunasco, Machida, Medeiros, Mina, Mizuguchi, Morioka, Naito, Narvaes, Segawa, Shito, Sutton, Takamura, Toguchi, Ueoka, D. Yamada, K. Yamada, Yuen and Wakatsuki.

Representative Carroll moved that H.R. No. 541 be adopted, seconded by Representative Poeppoe.

Representative Carroll then rose to speak in favor of the resolution, stating:

"Mr. Speaker, I think that probably everyone in the audience, and perhaps most of the people of the State, know Mr. Jacobs and they know of the contributions that he has made.

I am particularly concerned today, and in the passage of this resolution, with his input in the field of Hawaiian music, which many of us saw back in the fifties and sixties decline and almost die, and I thought in those years that that was a tragedy and I felt quite powerless to do anything about it. And yet, today we see that Hawaiian music and certain aspects of Hawaiian culture are not at an apex, perhaps, but certainly on the rise and rising. I think we must recognize this kind of a contribution from the citizens in our community.

I think it would be remiss not to mention the fact that KCCN, which does entertain in an all Hawaiian format of music, has also been highly instrumental in this area. But the basic differentiation is the fact that in that case the music is totally the Hawaiian format. What Mr. Jacobs has done is taken the Hawaiian music and interjected into what might have been commercially a not very profitable venture and has helped substantially in bringing the artist this treasure of music to the ears of our younger generation. And it is primarily for this reason that I offer this resolution."

The motion was put by the Chair and carried and H.R. No. 541 was adopted.

A resolution (H.R. No. 542) recognizing Gabby Pahinui as a true folk artist of Hawaii and congratulating him for his impact on the renaissance of Hawaiian music was jointly offered by Representatives

Carroll, Abercrombie, Ajifu, Aki, Blair, Campbell, Cayetano, Cobb, Evans, Fong, Garcia, Ikeda, Inaba, Kamalii, Kihano, Kiyabu, Kunimura, Larsen, Lunasco, Machida, Medeiros, Mina, Mizuguchi, Morioka, Naito, Narvaes, Segawa, Shito, Sutton, Takamura, Toguchi, Ueoka, Uwaine, D. Yamada, K. Yamada, Yuen and Wakatsuki.

Representative Carroll moved that H.R. No. 542 be adopted, seconded by Representative Poepeo.

Speaking in favor of the resolution, Representative Carroll stated:

"Mr. Speaker, in the resolution it states that Gabby Pahinui has been an inspiration to the young. And indeed he has. I think I've passed from the period of time when I can call myself young, but even in my advancing middle-age, Gabby continues to be a tremendous inspiration to me personally.

The pristine quality of his music, accuracy in the portrayal of Hawaiian music is something that I have long loved and wouldn't normally make personal references on the floor of the House, but it was through his records, one of which has Ulili 'E and Hilo Au Hilo 'E on them, that gave me the ability, I think, to finish law school and to cope with the deserts of Texas during those very strenuous years. I kept those records and, almost daily, would play them. And listening to them would rejuvenate my desire to complete those arduous tasks.

I have met Gabby over the years. He does not know me personally, but I have been a great fan of his. I think it is fitting that we are honoring him here and, I think, most importantly that we recognize, as the resolution states, that he is indeed a treasure in this State and in our nation and in the whole world.

I had the opportunity to play music of Gabby's, back in the early sixties, to people from as diverse areas as China and Yugoslavia, and they had never been exposed to any type of Hawaiian music, but the quality and the goodness, the richness, the art that is present in his way of playing and portraying these Hawaiian songs comes through.

I am delighted he has honored us with his presence here today and I'm certain everyone will vote for this resolution."

The motion was put by the Chair and carried and H.R. No. 542 was adopted.

At this time, Representative Carroll introduced Gabby Pahinui and Ron Jacobs, who were presented with maile leis and certified copies of their resolutions by Representatives Carroll and Kamalii, respectively.

Representative Carroll also introduced Mr. Peter Moon, Tom Moffatt, Mr. Jerry Hopkins and Mr. Robert Smolenski. They were presented with white ginger leis by Representatives Evans, Stanley and Ikeda (to the last two), respectively, while Representative Narvaes presented them with certified copies of the resolutions.

By unanimous consent, the following resolutions (H.R. Nos. 543 to 548) were referred to the Committee on Legislative Management and further action was deferred until tomorrow, March 23, 1978:

A resolution (H.R. No. 543) requesting the University of Hawaii to conduct an in-depth study on the nutritional habits of Hawaii's school children was jointly offered by Representatives Kiyabu and Mizuguchi.

A resolution (H.R. No. 544) requesting the Department of Land and Natural Resources to develop a State land inventory system was jointly offered by Representatives Shito, Caldito, Dods, Inaba, Kihano, Kiyabu, Kondo, Mina, Morioka, Say, Segawa, Stanley, D. Yamada and Yuen.

A resolution (H.R. No. 545) relating to a study of residential leasehold multi-family dwellings was jointly offered by Representatives D. Yamada and Cobb.

A resolution (H.R. No. 546) requesting the Department of Health to provide plans for establishment of a Hawaii State veterans home was offered by Representative Garcia.

A resolution (H.R. No. 547) requesting the Department of Education to develop and implement a comprehensive system for alternative education programs was offered by Representative Mizuguchi.

A resolution (H.R. No. 548) requesting continued monitoring of the Kaho'olawe situation was jointly offered by Representatives Yuen, Caldito, Inaba, Kamalii, Peters and Say.

A resolution (H.R. No. 549) expressing appreciation to the Highlands Intermediate band for its splendid participation

in musical events and festivals was jointly offered by Representatives Mizuguchi, Aki, Caldito, Cayetano, Cobb, Dods, Fong, Ikeda, Inaba, Kawakami, Kiyabu, Kondo, Naito, Say, Segawa, Shito, Takamine, Toguchi, Ushijima, D. Yamada and Wakatsuki and was read by the Clerk.

On motion by Representative Mizuguchi, seconded by Representative Kihano and carried, H.R. No. 549 was adopted.

Representative Mizuguchi then rose to introduce the honored guests, stating:

"For a number of weeks now, Mr. Speaker, we have honored the achievements of our students of the public school system, and this morning is no exception. Today we honor ninety-five students from Pearl City's Highlands Intermediate School, who have made their mark in their field of music. We were honored to hear them in the rotunda for an hour this morning.

In order to have achievements among our young students in the public school system are teachers and administrators. And today we have two educators that have done a lot to assist these students in the field of music."

Representative Mizuguchi then introduced the members of the Highlands Intermediate School Band; Mr. Boniface Leong, band instructor; and Mr. Shige Oshiro, principal of Highlands Intermediate School. Mr. Leong and Mr. Oshiro were presented with white carnation leis by Representatives Stanley and Ikeda, respectively, and certified copies of the resolution by Representative Mizuguchi.

Representative Kawakami, then rose and stated:

"Just by way of an addendum to the introduction by Representative Mizuguchi, the band director's wife has been my secretary for the past nine years, and I can attest to the fact that the musical talent is confined to just that part of the family."

At 11:28 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:35 o'clock a.m., the Vice Speaker assumed the rostrum.

SUSPENSION OF RULES

On motion by Representative Yuen, seconded by Representative Kamalii and carried, the rules were suspended for the purpose of taking up bills on Third Reading on the basis of a modified consent calendar.

UNFINISHED BUSINESS

Stand. Com. Rep. No. 729-78 on S.B. No. 350, SD 2, HD 2 (Deferred from March 21, 1978):

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and H.B. No. 350, SD 2, HD 2, entitled: "A BILL FOR AN ACT FOR MANDATORY CERTIFICATION OF OPERATING PERSONNEL IN WASTEWATER TREATMENT FACILITIES", having been read throughout, passed Third Reading by a vote of 44 ayes, with Representatives Abercrombie, Baker, Garcia, Naito, Nakamura, Toguchi and D. Yamada being excused.

The Chair directed the Clerk to note that S.B. No. 350, SD 2, HD 2, had passed Third Reading at 11:37 o'clock a.m.

STANDING COMMITTEE REPORTS

Representative Kiyabu, for the Committee on State General Planning, presented a report (Stand. Com. Rep. No. 760-78) recommending that H.R. No. 217, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Kiyabu, seconded by Representative Mina and carried, the report of the Committee was adopted and H.R. No. 217, HD 1, entitled: "HOUSE RESOLUTION REQUESTING AN INVESTIGATION OF ALTERNATIVE PLANS AND STRATEGIES TO ESTABLISH LIMITS ON STATE GROWTH RATES WHICH ARE IN HARMONY WITH THE SUPPLY AND DISTRIBUTION OF NATURAL RESOURCES", was referred to the Committee on Finance.

Representative Kiyabu, for the Committee on State General Planning, presented a report (Stand. Com. Rep. No. 761-78) recommending that H.C.R. No. 17, as amended in HD 1, be referred to the Committee on Legislative Management.

On motion by Representative Kiyabu, seconded by Representative Mina and carried, the report of the Committee was adopted and H.C.R. No. 17, HD 1, entitled: "HOUSE CONCURRENT

RESOLUTION REQUESTING A STUDY TO IDENTIFY THE COSTS OF GROWTH AND EXPLORE METHODS FOR EQUITABLY DISTRIBUTING THESE COSTS AMONG PRESENT AND FUTURE RESIDENTS", was referred to the Committee on Legislative Management.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 762-78) recommending that H.R. No. 273, as amended in HD 2, be adopted.

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and H.R. No. 273, HD 2, entitled: "HOUSE RESOLUTION REQUESTING A FEASIBILITY STUDY OF COMPUTER-BASED EDUCATION AT THE UNIVERSITY OF HAWAII", was adopted.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 763-78) recommending that H.R. No. 393, as amended in HD 2, be adopted.

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and H.R. No. 393, HD 2, entitled: "HOUSE RESOLUTION REQUESTING GOVERNOR GEORGE R. ARIYOSHI TO DECLARE THE COUNTIES OF HAWAII AND MAUI AS NATURAL DISASTER AREAS WITH REGARD TO CHAPTER 234, HAWAII REVISED STATUTES, TAX RELIEF", was adopted.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 764-78) recommending that S.B. No. 2380-78 pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 764-78 on S.B. No. 2380-78 was deferred until tomorrow, March 23, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 2380-78 were made available to the members of the House at 11:00 o'clock a.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 765-78) recommending that S.B. No. 1596-78, SD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 765-78

on S.B. No. 1596-78, SD 1, was deferred until tomorrow, March 23, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 1596-78, SD 1, were made available to the members of the House at 11:00 o'clock a.m.

Representative Segawa, for the Committee on Health, presented a report (Stand. Com. Rep. No. 766-78) recommending that S.C.R. No. 46, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Segawa, seconded by Representative Shito and carried, the report of the Committee was adopted and S.C.R. No. 46, HD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE ACTIVE PARTICIPATION OF STATE AND COUNTY GOVERNMENTS IN THE TRAINING OF THE GENERAL PUBLIC IN CARDIOPULMONARY RESUSCITATION", was referred to the Committee on Finance.

Representative Kiyabu, for the majority of the Committee on State General Planning, presented a report (Stand. Com. Rep. No. 767-78) recommending that H.R. No. 41, HD 1, be adopted.

On motion by Representative Kiyabu, seconded by Representative Mina and carried, the report of the majority of the Committee was adopted and H.R. No. 41, HD 1, entitled: "HOUSE RESOLUTION RELATING TO THE REDUCTION OF HOUSING COSTS THROUGH INCREASED DENSITY ALLOWANCES", was adopted.

Representative Kiyabu, for the Committee on State General Planning, presented a report (Stand. Com. Rep. No. 768-78) recommending that H.R. No. 14 be adopted.

On motion by Representative Kiyabu, seconded by Representative Mina and carried, the report of the Committee was adopted and H.R. No. 14, entitled: "HOUSE RESOLUTION RELATING TO THE STREAMLINING OF THE LAND DEVELOPMENT REVIEW AND APPROVAL PROCESS", was adopted.

Representative Cayetano, for the Committee on Energy and Transportation, presented a report (Stand. Com. Rep. No. 769-78) recommending that H.R. No. 329, as amended in HD 1, be adopted.

On motion by Representative Cayetano, seconded by Representative Takamura and carried, the report of the Committee was adopted and H.R. No. 329, HD 1, entitled: "HOUSE RESOLUTION

REQUESTING A REVIEW OF THE PROPOSED WAIALAE AVENUE FIXED GUIDEWAY UNDERGROUND REALIGNMENT", was adopted.

Representatives Cayetano and Stanley, for the Committees on Energy and Transportation and Public Employment and Government Operations, presented a joint report (Stand. Com. Rep. No. 770-78) recommending that S.B. No. 1773-78, SD 2, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Cayetano, seconded by Representative Stanley and carried, the report of the Committees was adopted and S.B. No. 1773-78, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COUNTIES", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 23, 1978.

The Chair directed the Clerk to note that printed copies of S.B. No. 1773-78, SD 2, HD 1, were made available to the members of the House at 11:00 o'clock a.m.

Representative Kunimura, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 771-78) informing the House that House Resolution Nos. 513 to 530, House Concurrent Resolution Nos. 106 to 112 and House Standing Committee Report Nos. 726-78 to 758-78 have been printed and distributed.

On motion by Representative Kunimura, seconded by Representative Peters and carried, the report of the Committee was adopted.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 550 to 559) were referred to the Committee on Legislative Management and further action was deferred until tomorrow, March 23, 1978:

A resolution (H.R. No. 550) declaring a commitment to improve the co-curricular offerings in the secondary schools was offered by Representative Mizuguchi.

A resolution (H.R. No. 551) requesting the Department of Education to report on the instructional curriculum offered in the public schools, including the amount of classroom time spent on reading, writing, and arithmetic at the elementary level and the availability

of opportunities for intensive study in selective academic environments in the secondary level was offered by Representative Mizuguchi.

A resolution (H.R. No. 552) requesting the Department of Education to make a report on the status of the adult education program was offered by Representative Mizuguchi.

A resolution (H.R. No. 553) requesting the legislative intern program be enacted as an integral part of the University of Hawaii at Hilo was jointly offered by Representatives K. Yamada, Campbell, Cobb, Evans, Ikeda, Inaba, Kiyabu, Larsen, Naito, Narvaes, Segawa, Suwa, Takamine, Toguchi and Yuen.

A resolution (H.R. No. 554) requesting the City and County of Honolulu Department of Transportation Services to expedite bus service during peak business hours was jointly offered by Representatives Morioka, Aki, Campbell, Cobb, Dods, Evans, Ikeda, Inaba, Kamalii, Kawakami, Kiyabu, Kunimura, Larsen, Machida, Medeiros, Mina, Mizuguchi, Naito, Narvaes, Say, Segawa, Shito, Sutton, Takamine, Takamura, Toguchi, Uechi, Ueoka, Ushijima, Uwayne, D. Yamada, Yuen and Wakatsuki.

A resolution (H.R. No. 555) requesting the Department of Personnel Services to conduct a study on the feasibility of awarding points for the relevant experience of applicants for civil service positions was offered by Representative Uwayne.

A resolution (H.R. No. 556) relating to an investigation of the Hawaii Housing Authority was jointly offered by Representatives Narvaes, Evans, Ikeda, Kamalii, Naito, Peters and Sutton.

A resolution (H.R. No. 557) requesting the establishment of an educational program within the legal system with regard to rape and rape victims was jointly offered by Representatives Kiyabu, Campbell, Cayetano, Cobb, Dods, Garcia, Inaba, Kihano, Kondo, Kunimura, Larsen, Lunasco, Machida, Medeiros, Mizuguchi, Nakamura, Peters, Say, Shito, Suwa, Takamine, Takamura, Toguchi, Ushijima, Uwayne, D. Yamada, K. Yamada and Yuen.

A resolution (H.R. No. 558) urging increased public education on rape was jointly offered by Representatives Kiyabu, Blair, Caldito, Campbell, Cayetano, Cobb, Garcia, Inaba, Kunimura, Machida, Medeiros, Mina, Mizuguchi, Morioka, Nakamura, Peters, Say, Segawa, Shito, Stanley, Takamine,

Takamura, Toguchi, Uwaine, K. Yamada and Yuen.

A resolution (H.R. No. 559) requesting the formation of an interim subcommittee to investigate and report on management procedures in the Airports Division of the Department of Transportation was jointly offered by Representatives Cayetano, Takamura, Aki, Blair, Caldito, Carroll, Cobb, Dods, Evans, Ikeda, Inaba, Kamalii, Kondo, Kunimura, Larsen, Lunasco, Machida, Medeiros, Mina, Morioka, Naito, Narvaes, Peters, Poepoe, Say, Segawa, Shito, Stanley, Suwa, Takamine, Toguchi, Uechi, Uwaine, D. Yamada and Yuen.

The following resolutions (H.R. Nos. 560 and 561) were read by the Clerk and were disposed of as follows:

A resolution (H.R. No. 560) honoring the memory of the late Kahikina Akaka and extending condolences and deepest sympathy to his family was jointly offered by Representatives Wakatsuki, Ajifu, Aki, Caldito, Campbell, Cayetano, Cobb, Dods, Evans, Fong, Ikeda, Kamalii, Kawakami, Kihano, Kiyabu, Kondo, Kunimura, Lunasco, Machida, Medeiros, Mina, Mizuguchi, Morioka, Naito, Nakamura, Narvaes, Peters, Poepoe, Say, Segawa, Shito, Stanley, Sutton, Suwa, Takamine, Takamura, Toguchi, Uechi, Ueoka, Ushijima, Uwaine and Yuen.

On motion by Representative Peters, seconded by Representative Kamalii and carried, H.R. No. 560 was adopted by a rising vote.

A resolution (H.R. No. 561) commending the Hawaiian Homes Commission and homesteaders on their program of beautification and commemoration of Prince Kuhio was jointly offered by Representatives Kamalii, Yuen, Naito, Caldito, Peters, Ajifu, Aki, Carroll, Cayetano, Dods, Evans, Fong, Ikeda, Inaba, Kiyabu, Kunimura, Larsen, Lunasco, Machida, Medeiros, Mina, Morioka, Narvaes, Poepoe, Say, Segawa, Shito, Stanley, Sutton, Toguchi, Uechi, Ueoka and D. Yamada.

On motion by Representative Kamalii, seconded by Representative Yuen and carried, H.R. No. 561 was adopted.

At 11:41 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:44 o'clock

a.m., the Speaker assumed the rostrum.

By unanimous consent, the following resolutions (H.R. Nos. 562 to 603) and concurrent resolutions (H.C.R. Nos. 119 to 142) were referred to the Committee on Legislative Management and further action was deferred until tomorrow, March 23, 1978:

A resolution (H.R. No. 562) relating to the preservation of the fishing and other rights of the people of Hawaii in the Leeward Islands of the State of Hawaii was jointly offered by Representatives Kawakami, Aki, Mina, Peters, Say and D. Yamada.

A resolution (H.R. No. 563) requesting the Department of Taxation to report to the Legislature concerning certain weight taxes imposed upon taxi cabs was offered by Representative Uwaine.

A resolution (H.R. No. 564) requesting an energy conservation poster contest was offered by Representative Cayetano.

A resolution (H.R. No. 565) requesting the State Department of Transportation to submit appropriate information relating to the proposed improvements to Lunalilo Freeway and also implementing the makai boulevard concept was jointly offered by Representatives Cayetano, Ajifu, Aki, Caldito, Carroll, Cobb, Evans, Kihano, Kondo, Kunimura, Shito, Stanley, Takamine, K. Yamada and Yuen.

A resolution (H.R. No. 566) requesting an interim review of the State highway system and mass transit was offered by Representative Cayetano.

A resolution (H.R. No. 567) requesting a report on the implementation of county park dedication ordinances was jointly offered by Representatives Shito, Campbell, Cayetano, Cobb, Dods, Ikeda, Morioka, Nakamura, Narvaes, Say, Takamine, Toguchi, Ueoka and Yuen.

A resolution (H.R. No. 568) requesting the Department of Social Services and Housing to conduct a study of the feasibility of transferring the worker's compensation coverage for handicapped employees of vocational rehabilitation private, nonprofit workshops was jointly offered by Representatives Segawa, Campbell, Carroll, Cobb, Kawakami, Narvaes, Shito, Stanley, Takamine, Ueoka, D. Yamada and K. Yamada.

A resolution (H.R. No. 569) proclaiming the month of May 1978, as mental health month in Hawaii was jointly

offered by Representatives Segawa, Abercrombie, Aki, Caldito, Campbell, Cobb, Dods, Evans, Fong, Garcia, Ikeda, Inaba, Kawakami, Kiyabu, Kondo, Larsen, Lunasco, Machida, Mina, Naito, Nakamura, Narvaes, Peters, Shito, Stanley, Sutton, Toguchi, Uechi, Ueoka, Ushijima, Uwaine, D. Yamada, K. Yamada and Yuen.

A resolution (H.R. No. 570) requesting review of funding criteria for private health care agencies was jointly offered by Representatives Segawa, Aki, Caldito, Cayetano, Cobb, Dods, Evans, Fong, Ikeda, Inaba, Kawakami, Kiyabu, Kondo, Larsen, Machida, Naito, Nakamura, Peters, Shito, Stanley, Sutton, Toguchi, Uechi, Ueoka, Ushijima, Uwaine, D. Yamada, K. Yamada and Yuen.

A resolution (H.R. No. 571) requesting review of the management and operations of the county/state hospital system was jointly offered by Representatives Segawa, Aki, Caldito, Cayetano, Cobb, Dods, Evans, Fong, Ikeda, Inaba, Kawakami, Kiyabu, Kondo, Larsen, Machida, Naito, Nakamura, Peters, Shito, Stanley, Sutton, Toguchi, Uechi, Ueoka, Ushijima, Uwaine, D. Yamada, K. Yamada and Yuen.

A resolution (H.R. No. 572) relating to State owned dry docks was offered by Representative Abercrombie.

A resolution (H.R. No. 573) relating to a marine education center was offered by Representative Abercrombie.

A resolution (H.R. No. 574) requesting a review of the tip credit allowed employers of tipped employees for minimum wage purposes was jointly offered by Representatives Suwa, Dods, Inaba, Kiyabu, Machida, Mina, Peters, Say, Stanley, Takamine and K. Yamada.

A resolution (H.R. No. 575) requesting a review of the air pollution control regulations was jointly offered by Representatives Suwa, Kihano, Stanley and Wakatsuki.

A resolution (H.R. No. 576) requesting a study of the payment of witness expenses in criminal cases was offered by Representative Garcia.

A resolution (H.R. No. 577) commemorating May 1, 1978 as law day and May 1 through May 7, 1978 as law week was offered by Representative Garcia.

A resolution (H.R. No. 578) urging the City and County of Honolulu to assume the operation and maintenance of the Hawaii Kai sewage treatment plant and related sewage systems in Hawaii Kai, Oahu, was jointly offered by Representatives Dods, Ikeda, Aki, Cobb, Machida, Peters, Say and Uwaine.

A resolution (H.R. No. 579) requesting the University of Hawaii to review the hiring criteria, responsibilities and use of teaching assistants at the University of Hawaii was offered by Representative Ushijima.

A resolution (H.R. No. 580) requesting a study of the feasibility of job sharing among nurses in the Department of Health was jointly offered by Representatives Stanley and Segawa.

A resolution (H.R. No. 581) requesting discussion of possible solutions to concerns regarding interisland surface transportation was jointly offered by Representatives D. Yamada, Blair, Cobb, Kihano, Kondo and Ushijima.

A resolution (H.R. No. 582) requesting a study of options available to the State of Hawaii to abate aircraft noise was jointly offered by Representatives Abercrombie, Say, Dods and Larsen.

A resolution (H.R. No. 583) requesting a review of ocean and marine research and education programs was jointly offered by Representatives Toguchi, Blair, Caldito, Say, Shito, Ueoka, K. Yamada and Yuen.

A resolution (H.R. No. 584) requesting the Board of Land and Natural Resources to publish an annual report on the status of Hawaii's water resources was jointly offered by Representatives Toguchi, Nakamura, Yuen, Blair, Caldito, Say, Shito, Ueoka and K. Yamada.

A resolution (H.R. No. 585) requesting the Board of Land and Natural Resources to designate Waihee Valley as a groundwater area was jointly offered by Representatives Toguchi, Nakamura, Yuen, Blair, Caldito, Say, Shito, Ueoka and K. Yamada.

A resolution (H.R. No. 586) Makiki/Tantalus Park was jointly offered by Representatives Fong, Kondo, Kawakami and D. Yamada.

A resolution (H.R. No. 587) relating to control and elimination of the musca sorbens fly from the State of Hawaii was offered by Representative Poepoe (by request).

A resolution (H.R. No. 588) requesting the Legislative Reference Bureau to conduct a study of the problem of illegal aliens in Hawai'i was jointly offered by Representatives Kamalii, Ajifu, Carroll, Fong, Kawakami, Lunasco, Machida, Morioka, Narvaes, Say, Segawa, Shito, Stanley, Ueoka and Yuen.

A resolution (H.R. No. 589) requesting changes in immigration and naturalization regulations to incorporate suspected criminal activity or association as grounds for the denial or revocation of temporary visas was jointly offered by Representatives Kamalii, Carroll, Fong, Kawakami, Narvaes, Say, Segawa and Ueoka.

A resolution (H.R. No. 590) requesting the Department of Agriculture and its ad hoc committee on the animal quarantine station to investigate the possibility of military assistance to the Halawa facility was jointly offered by Representatives Kamalii, Peters, Ajifu, Carroll, Kawakami, Lunasco, Machida, Morioka, Narvaes, Say, Shito, Stanley, Ueoka, K. Yamada and Yuen.

A resolution (H.R. No. 591) requesting a report from the Foundation on Culture and the Arts recommending a budgetary procedure and selection criteria for the acquisition of Hawaiian artifacts was jointly offered by Representatives Kamalii, Say, Ajifu, Yuen, Carroll, Kawakami, Lunasco, Morioka, Narvaes, Segawa, Shito, Stanley, Ueoka and K. Yamada.

A resolution (H.R. No. 592) withdrawing the support of the Hawaii State House of Representatives for the Honolulu Area Rapid Transit (HART) as proposed in PEEP I and PEEP II was jointly offered by Representatives Cayetano, Ajifu, Aki, Blair, Caldito, Campbell, Carroll, Cobb, Dods, Evans, Fong, Ikeda, Inaba, Kamalii, Kawakami, Kihano, Kiyabu, Kondo, Kunimura, Larsen, Lunasco, Machida, Mina, Mizuguchi, Morioka, Nakamura, Narvaes, Peters, Say, Segawa, Shito, Sutton, Suwa, Takamine, Takamura, Toguchi, Uechi, Ueoka, Ushijima, Uwayne, D. Yamada, K. Yamada, Yuen and Wakatsuki.

A resolution (H.R. No. 593) urging the federal government to permit civilian use of Pearl Harbor for recreational purposes was offered by Representative Cayetano.

A resolution (H.R. No. 594) requesting the City and County of Honolulu's Department of Parks and Recreation to investigate the feasibility of construc-

ting jogging path through Pearl Harbor Park was jointly offered by Representatives Cayetano, Ajifu, Aki, Caldito, Carroll, Cobb, Evans, Kihano, Kiyabu, Kunimura, Mizuguchi, Narvaes, Say, Shito, Stanley, Takamine, Takamura, Toguchi, Uwayne, K. Yamada and Yuen.

A resolution (H.R. No. 595) requesting the 1978 constitutional convention to review particular issues in taxation and finance was jointly offered by Representatives Suwa and Peters.

A resolution (H.R. No. 596) respectfully urging President Carter and Hawaii's congressional delegation to permit the continuance of the resource conservation and development areas program authorized under Public Law 87-703 was jointly offered by Representatives Uechi, Caldito, Cayetano, Ikeda, Inaba, Mina, Morioka, Nakamura, Say, Segawa, Shito, Toguchi, Ueoka and Yuen.

A resolution (H.R. No. 597) requesting the Motor Vehicle Insurance Commissioner investigate the possibility of providing free bus service to public assistance recipients was jointly offered by Representatives Blair, Caldito, Peters, Say, Shito, Takamine, Uechi, D. Yamada and K. Yamada.

A resolution (H.R. No. 598) relating to preparation of individual education program reports by special education teachers was offered by Representative Ajifu.

A resolution (H.R. No. 599) requesting water sport activities in the schools was jointly offered by Representatives Peters, Mizuguchi, Kamalii, Say, Ueoka and K. Yamada.

A resolution (H.R. No. 600) requesting a constitutional amendment to require that the Governor of the State be born and raised in Hawaii was jointly offered by Representatives Peters, Inaba and Morioka.

A resolution (H.R. No. 601) requesting the annual naming of a composer laureate was jointly offered by Representatives Ueoka, Say, Blair, Caldito, Dods, Ikeda, Medeiros, Nakamura, Toguchi, Uwayne, D. Yamada and K. Yamada.

A resolution (H.R. No. 602) relating to a study of the Hawaii Housing Authority's exemption from competitive bidding laws was offered by Representative Narvaes.

A resolution (H.R. No. 603) relating to an intercollegiate football bowl game for Hawaii was jointly offered

by Representatives Kondo, Kawakami, Kihano, Machida, Medeiros, Suwa, Ushijima, Yuen and Wakatsuki.

A concurrent resolution (H.C.R. No. 119) requesting the University of Hawaii to conduct an in-depth study on the nutritional habits of Hawaii's school children was jointly offered by Representatives Kiyabu and Mizuguchi.

A concurrent resolution (H.C.R. No. 120) requesting a review of laws relating to guardianship, civil commitment, and protective services was offered by Representative Garcia.

A concurrent resolution (H.C.R. No. 121) requesting continued monitoring of the Kaho'olawe situation was jointly offered by Representatives Yuen, Caldito, Inaba, Kamalii, Peters and Say.

A concurrent resolution (H.C.R. No. 122) requesting the continuation of the citizens advisory committee on basic skills and real-life skills was offered by Representative Mizuguchi.

A concurrent resolution (H.C.R. No. 123) setting aside one day of the year to honor grandparents was offered by Representative Wakatsuki (by request).

A concurrent resolution (H.C.R. No. 124) relating to a functional plan for housing was offered by Representative Wakatsuki (by request).

A concurrent resolution (H.C.R. No. 125) urging increased public education on rape was jointly offered by Representatives Kiyabu, Blair, Caldito, Campbell, Cayetano, Cobb, Dods, Garcia, Inaba, Kunimura, Machida, Medeiros, Mina, Mizuguchi, Morioka, Nakamura, Peters, Say, Segawa, Shito, Stanley, Takamine, Takamura, Toguchi, Uwaine, K. Yamada and Yuen.

A concurrent resolution (H.C.R. No. 126) requesting the establishment of an educational program within the legal system with regard to rape and rape victims was jointly offered by Representatives Kiyabu, Cayetano, Cobb, Dods, Garcia, Inaba, Kihano, Kondo, Kunimura, Larsen, Lunasco, Machida, Medeiros, Mizuguchi, Nakamura, Peters, Say, Shito, Suwa, Takamine, Takamura, Toguchi, Ushijima, Uwaine, D. Yamada, K. Yamada, Yuen and Wakatsuki.

A concurrent resolution (H.C.R. No. 127) relating to data on migration was jointly offered by Representatives

Kiyabu, Cayetano, Dods, Inaba, Kihano, Kondo, Larsen, Lunasco, Machida, Mina, Mizuguchi, Peters, Say, Shito, Suwa, Takamura, Uwaine, K. Yamada and Yuen.

A concurrent resolution (H.C.R. No. 128) relating to a State Tourism Plan: A ten-year master plan for tourism growth in the State of Hawaii was offered by Representative Wakatsuki (by request).

A concurrent resolution (H.C.R. No. 129) recognizing the need of this State for adequate interisland surface transportation and supporting the re-establishment of an interisland hydrofoil system was offered by Representative Wakatsuki.

A concurrent resolution (H.C.R. No. 130) requesting the Board of Land and Natural Resources to publish an annual report on the status of Hawaii's water resources was jointly offered by Representatives Toguchi, Nakamura, Yuen, Blair, Caldito, Say, Shito, Ueoka and K. Yamada.

A concurrent resolution (H.C.R. No. 131) commemorating May 1, 1978 as law day and May 1 through May 7, 1978 as law week was offered by Representative Garcia.

A concurrent resolution (H.C.R. No. 132) relating to tourism was jointly offered by Representatives Machida, Aki, Blair, Caldito, Carroll, Cobb, Dods, Ikeda, Kihano, Kiyabu, Kondo, Mina, Mizuguchi, Narvaes, Peters, Say, Stanley, Suwa, Takamine, Takamura, Ueoka, Ushijima, Uwaine and D. Yamada.

A concurrent resolution (H.C.R. No. 133) relating to the preservation of the fishing and other rights of the people of Hawaii in the Leeward Islands of the State of Hawaii was jointly offered by Representatives Kawakami, Aki, Mina, Peters, Say and D. Yamada.

A concurrent resolution (H.C.R. No. 134) requesting a study of the feasibility of job sharing among nurses in the Department of Health was jointly offered by Representatives Stanley and Segawa.

A concurrent resolution (H.C.R. No. 135) requesting a review of the air pollution control regulations was jointly offered by Representatives Suwa, Kihano, Stanley and Wakatsuki.

A concurrent resolution (H.C.R. No. 136) requesting review of the management and operations of the County/State hospital system was jointly offered by Representatives

Segawa, Aki, Caldito, Cayetano, Cobb, Dods, Evans, Fong, Ikeda, Inaba, Kawakami, Kiyabu, Kondo, Larsen, Machida, Naito, Nakamura, Peters, Shito, Stanley, Sutton, Toguchi, Uechi, Ueoka, Ushijima, Uwaine, D. Yamada, K. Yamada and Yuen.

A concurrent resolution (H.C.R. No. 137) declaring sun day in Hawaii was jointly offered by Representatives Cayetano (by request), Ajifu, Aki, Caldito, Carroll, Cobb, Evans, Kihano, Kondo, Kunimura, Mizuguchi, Narvaes, Say, Shito, Stanley, Takamine, Takamura, Toguchi, Uwaine, K. Yamada and Yuen.

A concurrent resolution (H.C.R. No. 138) urging the federal government to permit civilian use of Pearl Harbor for recreational purposes was offered by Representative Cayetano.

A concurrent resolution (H.C.R. No. 139) respectfully urging President Carter and Hawaii's congressional delegation to permit the continuance of the resource conservation and development areas program authorized under Public Law 87-703 was jointly offered by Representatives Uechi, Caldito, Cayetano, Ikeda, Inaba, Mina, Morioka, Nakamura, Say, Shito, Toguchi, Ueoka and Yuen.

A concurrent resolution (H.C.R. No. 140) requesting the City and County of Honolulu Department of Transportation Services to expedite bus service during peak business hours was jointly offered by Representatives Morioka, Caldito, Cayetano, Dods, Ikeda, Inaba, Mina, Nakamura, Narvaes, Peters, Say, Shito, Sutton, Suwa, Takamine, Takamura, Toguchi, D. Yamada, K. Yamada and Yuen.

A concurrent resolution (H.C.R. No. 141) requesting water sport activities in the schools was jointly offered by Representatives Peters, Mizuguchi, Kamalii, Say, Ueoka and K. Yamada.

A concurrent resolution (H.C.R. No. 142) requesting a constitutional amendment to require that the Governor of the State be born and raised in Hawaii was jointly offered by Representatives Peters and Kunimura.

THIRD READING

The following bills, which were on the calendar for Third Reading, were read throughout and the following actions taken:

S.B. No. 2200-78, HD 1:

Representative Suwa moved that S.B. No. 2200-78, HD 1, having been read throughout, pass Third Reading, seconded by Representative Peters.

Representative Suwa, upon being recognized, stated:

"Seems to be we have a typo on page 10, in the right hand corner. The word 'proposed' should not be there. Therefore, upon passage, request the Clerk be instructed to make that correction."

The Chair "so ordered".

Representative Sutton then rose to speak in favor of the bill, stating:

"Mr. Speaker, the purpose of this bill is to update the conformance to the Hawaii income tax with the federal internal revenue code, and then to change the method of conformance. We'll have a method of adoption by the calendar year and we'll have revenues either that state that certain sections of the code are not operative or they're generative as limited by the language contained therein. This will be a yearly conformance to the code.

We heard a great deal of testimony. They had a great deal of help - they got the students from the law school; they got the Chamber of Commerce; they got three or four large corporate attorneys' offices; and three or four CPA offices - and they did a magnificent job. But I would be remiss if I did not bring to your attention the magnificent coordination of their activities that was effected by Chairman Suwa of the House Finance Committee.

I feel that this truly does not represent any increment in taxation. It is merely a conformance. It will allow the public to follow one scheme. They will not have to refer back and forth to what are presently very obsolete books of analysis. Prentiss-Hall has nothing on this. And the individual taxpayer who did not go to a CPA was just confounded.

I do want to compliment Chairman Suwa for a job well done, and all of the people that helped. I am very proud to have been a member of the committee that is putting this before this body. I do hope that you all vote in favor of it.

Thank you."

The motion to pass S.B. No. 2200-78, HD 1, entitled: "A BILL FOR AN

ACT RELATING TO TAXATION", on Third Reading was put by the Chair and carried by a vote of 44 ayes, with Representatives Abercrombie, Baker, Garcia, Naito, Nakamura, Toguchi and D. Yamada being excused.

S.B. No. 2302-78, HD 1:

Representative Suwa moved that S.B. No. 2302-78, HD 1, be recommitted to the Committee on Finance, seconded by Representative Peters.

Representative Suwa explained the recommitment, stating:

"The purpose for recommitment is because we have some input from the minority members of the House which will make the bill a better one."

The motion was put by the Chair and carried and S.B. No. 2302-78, HD 1, was recommitted to the Committee on Finance.

S.B. No. 2414-78, SD 2:

On motion by Representative Suwa, seconded by Representative Peters,

S.B. No. 2414-78, SD 2, entitled: "A BILL FOR AN ACT RELATING TO RETIREMENT SYSTEM INVESTMENTS", passed Third Reading by a vote of 44 ayes, with Representatives Abercrombie, Baker, Garcia, Naito, Nakamura, Toguchi and D. Yamada being excused.

The Chair directed the Clerk to note that S.B. No. 2200-78, HD 1, had passed Third Reading at 11:48 o'clock a.m., and S.B. No. 2414-78, SD 2, at 11:49 o'clock a.m.

At 11:54 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 11:55 o'clock a.m.

ADJOURNMENT

At 11:55 o'clock a.m., on motion by Representative Yuen, seconded by Representative Kamalii and carried, the House of Representatives adjourned until 11:00 o'clock a.m. tomorrow, Thursday, March 23, 1978, in honor and memory of the late Kahikina Akaka.

FORTY-SIXTH DAY

Thursday, March 23, 1978

The House of Representatives of the Ninth Legislature of the State of Hawaii, Regular Session of 1978, convened at 11:00 o'clock a.m., with the Vice Speaker presiding.

The Divine Blessing was invoked by Reverend Robert Loveless of the United Church of Christ, after which the Roll was called showing all members present with the exception of Representatives Abercrombie, Baker, Carroll, Kunimura, Peters, Uwayne and Wakatsuki, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Forty-Fifth Day.

On motion by Representative Yuen, seconded by Representative Kamalii and carried, reading of the Journal was dispensed with and the Journal of the Forty-Fifth Day was approved.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 179 to 183) were read by the Clerk and were disposed of as follows:

A communication from the Senate (Sen. Com. No. 179) transmitting Senate Concurrent Resolution No. 106, commending Billie Beamer for her leadership as Chairman of the Hawaiian Homes Commission, her efforts to reform the Hawaiian Homes Act and her sensitivity to the needs of all the people of Hawaii, which was adopted by the Senate on March 22, 1978, was placed on file.

At this time, Representative Kamalii rose to speak in favor of the concurrent resolution, stating:

"I have known Billie Beamer since our childhood days and I just want to express my personal admiration for this lady. I have known her prior to her acceptance of the challenging job of the Chairman of the Hawaiian Homes Commission. I'll say that her performance in this task has been exceptional as the resolution stated, and it has not been an easy task for Billie. The Hawaiian Homes Commission has struggled fiscally and politically to accomplish the necessary programs, modernization

and reform, and I commend Billie as a woman of action for her honest and forthright conduct in administering the Hawaiian Homes Commission. There have been many instances when Billie Beamer has stood up against popular political procedures for the overall good of the programs and the citizens of Hawaii.

I, for one, would like to say mahalo for her performance in this most difficult position.

Thank you, Mr. Speaker."

Representative Kawakami then rose to speak briefly in favor of the resolution, stating:

"For the first time, I concur with the Minority Floor Leader, and I have no additional comments to make."

Representative Kamalii remarked:

"I hope that won't be the last and I am sure of it."

Representative Sutton then rose to speak in favor of the concurrent resolution, stating:

"Mr. Speaker, I represent an area that is the homestead area - Papakolea. We have had 146 new homes built in the Papakolea area through the efforts of this magnificent administrator, Billie Beamer. She has done everything in her power to make an organization which, for years, has been inefficient, probably the most efficiently run department in the present Administration.

On behalf of all of those at Papakolea, and we are having a very large ceremony on Kuhio Day, we wish to honor her and ask all of you to come up to Papakolea Sunday at 12:00 where we will have our Kuhio Day celebration and we will honor Billie Beamer.

Thank you."

Representative Naito then rose and stated:

"Mr. Speaker, I would just also like to add some words in favor of this resolution.

I have had the honor of seeing Billie Beamer many times, watching her in action, and seeing her particularly under fire. In fact, every time I've ever seen Billie Beamer, she's been under fire by somebody or other,

or some group or other, and the way she handles herself, the way she takes her job seriously, the good that she has done for Hawaii, I don't know of any other administrator that could even compare.

I am very proud that she is a woman, and I am just delighted that this resolution was offered, and all the best to Billie Beamer.

Thank you."

On motion by Representative Yuen, seconded by Representative Kamalii and carried, S.C.R. No. 106 was adopted.

A communication from the Senate (Sen. Com. No. 180) transmitting Senate Concurrent Resolution No. 109, setting aside one day of the year to honor grandparents, which was adopted by the Senate on March 22, 1978, was placed on file.

On motion by Representative Yuen, seconded by Representative Kamalii and carried, S.C.R. No. 109 was adopted.

A communication from the Senate (Sen. Com. No. 181) informing the House that the amendments proposed by the House to Senate Bill No. 1129 were agreed to by the Senate and said bill, as thus amended, passed Final Reading in the Senate on March 22, 1978, was placed on file.

A communication from the Senate (Sen. Com. No. 182) informing the House that the amendments proposed by the House to Senate Bill No. 1759-78 were agreed to by the Senate and said bill, as thus amended, passed Final Reading in the Senate on March 22, 1978, was placed on file.

A communication from the Senate (Sen. Com. No. 183) informing the House that pursuant to the disagreement of the House to the amendments proposed by the Senate to House Bill No. 2166-78, HD 2, and the request for a conference on the subject matter of said amendments, Senators Yim, Chairman; Kuroda and George were appointed as Managers on the part of the Senate at such conference, was placed on file.

At this time, the following introductions were made to the members of the House:

Representative Kondo introduced 67 seventh and eighth grade band students from the Kam III School in Lahaina, Maui. They were accompanied by their teacher, Mr. Uyehara, and chaperones, Mrs. Lorraine Yoshimoto, Mrs. Janet Kunitake, Mrs. Joan Nagamine, Mrs. Janice Uyehara, Mr. James Wilsey, Mr. and Mrs. Takao Matsuda and Mr. and Mrs. Ron Togashi.

Representative Morioka introduced 54 second and third grade students from Aliiolani Elementary School. They were accompanied by their teachers, Mrs. Lily Au and Mrs. Vel Fujishima, and parents, Mrs. Liu and Mrs. Matsumoto.

Representative Uechi introduced 69 students from Gus Webling Elementary School. They were accompanied by their teachers, Mrs. Sakai, Mrs. Okino and Mrs. Sakamoto.

Representative Medeiros introduced 90 fifth grade students from Enchanted Lakes Elementary School. They were accompanied by their teachers, Mr. Higa, Mrs. Hewitt and Mrs. Ige, and a parent, Mr. Ige.

At 11:20 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:21 o'clock a.m., the Chair directed the Clerk to note the presence of Representatives Carroll, Kunimura, Peters and Uwaine.

SUSPENSION OF RULES

On motion by Representative Yuen, seconded by Representative Kamalii and carried, the rules were suspended for the purpose of considering certain resolutions.

INTRODUCTION OF RESOLUTIONS

The following resolutions (H.R. Nos. 604 and 605) were read by the Clerk and were disposed of as follows:

A resolution (H.R. No. 604) commending the Editor, writers, and staff of the "Hawaii Observer", and expressing best wishes for success in their future endeavors was jointly offered by Representatives Takamura, Larsen, Cayetano, Kamalii, Ajifu, Aki, Blair, Caldito, Carroll, Cobb, Dods, Evans, Ikeda, Inaba, Kawakami, Kihano, Kiyabu, Kunimura, Lunasco, Machida, Medeiros, Mina, Narvaes, Peters, Poepoe, Say, Segawa, Shito, Stanley, Sutton, Suwa, Takamine, Uechi, Ueoka, Ushijima,

Uwaine, K. Yamada and Yuen.

Representative Larsen moved that H.R. No. 604 be adopted, seconded by Representative Cayetano.

Representative Kamalii then rose to speak in favor of the resolution, stating:

"I am very sad that we have to see a newspaper like the 'Hawaii Observer' go under. I want to personally thank Tuck and Steve for their contribution to the State of Hawaii. But, here again, is another example of what happens to small business in this town, and I am really very sad that this had to happen to the 'Hawaii Observer', but talking to Steve, I wish you the best in the future and aloha."

Representative Sutton then rose to speak in favor of the resolution, stating:

"Mr. Speaker, I have two bound volumes of every copy of the 'Hawaii Observer'. They will remain in my office for anybody who wishes to do research because the material therein cannot be found anyplace else, so I hope everybody would support this resolution, and please come to my office and use the bound volumes of the 'Hawaii Observer'."

Representative Takamura then rose and stated:

"Mr. Speaker, just briefly in favor of the resolution. You know, we are not here today to bury the 'Hawaii Observer'. We are really here to praise them, and I think we appreciate the fact that Tuck and Steve are here, and we really appreciate the contribution that the 'Hawaii Observer' has made to the people of Hawaii for all these years.

Thank you."

Representative Blair then rose to speak in favor of the resolution, stating:

"I speak both for myself and for others who could not be with us today such as Kenneth Lee when I say that this newspaper gave us many enjoyable hours. It is sad that it will not do so in the future."

Representative Peters then rose and stated:

"By way of an addendum to brother

Blair's remarks, may I say for the record that his remarks are rather. . . well, it is an astute observation - let's put it that way."

Representative Cayetano was recognized and he stated:

"Mr. Speaker, I would just like to keep my remarks very short, brief, and to the point. Thank you to Tuck and Steve, and the staff of the 'Hawaii Observer' for the tremendous contribution it has made, not only to the State, but to us here in helping us do our work.

Thank you very much."

Representative Cobb then rose and stated:

"Just to echo the previous speakers' comments, not only to thank you for your contributions, but I hope that you will stay around because I think you have a lot more to contribute to us.

Thank you."

Representative Campbell was recognized and he stated:

"I would just like to join my colleagues in expressing appreciation for what the 'Hawaii Observer' has done in this State. I am sorry to note, as my colleagues have indicated, that this voice may not be heard in the future, but I think we should say that the OBSERVER joins some elite company like the 'Chicago Daily News', the 'New York World Telegram and Sun', the 'New York General American', and we could go on and on and on. We are sorry that this unique voice will not be heard, but congratulations to those of you who have done such a marvelous job letting us see and hear different points of view.

Thank you."

Representative Kunimura then rose and stated:

"Mr. Speaker, I rise in favor of this resolution although I have not even had the opportunity to see the contents, but the spirit of the resolution is the most beautiful of all resolutions that we have taken up in the chambers thus far since 1968.

Yesterday, the Finance Committee deliberated on a bill clinged against the State, and I remember because it was only yesterday that some of those who laud this resolution and

the fearlessness of individuals who were chosen today to stand against even being called names. Well, yesterday, we took up a matter to compensate two people who so long ago tried to do the same thing the OBSERVER is trying to do today, and we've had some flak, so I hope, in voting for this resolution today, that we will vote from our hearts rather than from croaked tongues."

The motion was put by the Chair and carried, and H.R. No. 604 was adopted.

At this time, Representative Takamura introduced Mr. Steve Schrader, Managing Editor, and Mr. Tuck Newport, publisher of the "Hawaii Observer"

Representatives Kamalii and Stanley then presented maile and ilima leis to the recipients of the resolution, and Representatives Cayetano and Larsen presented them with certified copies of the resolution.

A resolution (H.R. No. 605) congratulating Alpha Kappa Alpha Sorority on their newly formed Hawaii Chapter and encouraging their continued service to Hawaii's people was jointly offered by Representatives Ikeda, Ajifu, Blair, Caldito, Campbell, Cayetano, Dods, Evans, Inaba, Kamalii, Kawakami, Kiyabu, Lunasco, Machida, Mina, Mizuguchi, Morioka, Naito, Peters, Say, Segawa, Shito, Stanley, Takamine, Takamura, Toguchi, Uechi, Ueoka, Ushijima, Uwayne, D. Yamada and K. Yamada.

Representative Ikeda moved that H.R. No. 605 be adopted, seconded by Representative Campbell.

Representative Campbell then rose to speak in favor of the resolution, stating:

"Mr. Speaker, I would like to join my colleagues in expressing a very deep feeling of appreciation for what this fine organization has done nationally, and I would like to join my colleagues in extending a welcome to this organization to set up a Chapter here in Hawaii, and I am very much impressed.

One of the main emphasis for 1978 is the improvement of reading in our schools, and as a member of the House Committee on Education, I am very much interested in watching the progress that this organization is going to have in this area. I have a feeling, though, that they

are going to be successful because the National organization had its beginning on the campus of Howard University, and I am an alumnus of that school.

Thank you."

The motion was put by the Chair and carried, and H.R. No. 605 was adopted.

Representative Ikeda then proceeded to introduce the officers of the Alpha Kappa Alpha Sorority, stating:

"Mr. Speaker, one of the things that impressed me the most when I read about Alpha Kappa Alpha was its purpose - to be of service to all mankind - and with that noble goal, I think it is indeed a pleasure to know that they have formed a Hawaii Chapter."

Representative Ikeda then introduced the following: Mrs. Georgette Moon, President of the Alpha Kappa Alpha Sorority; Mrs. Mildred Robinson, Regional Director; and Mrs. Lorna Peck, Historian. Seated in the gallery were Dr. Lauzette Hale, past National President of Alpha Kappa Alpha and Miss Edna Overall.

Leis were presented to the honorees by Representatives Campbell, Narvaes and Medeiros, and Representative Ikeda presented them with certified copies of the resolution.

At this time, Representative Sutton introduced to the members of the House Mr. Mason Newport, father of Mr. Tuck Newport, and "a man who was a great football player for Punahou School and one of the internationally ranked swimmers of Hawaii."

At 11:40 o'clock a.m., the Chair declared a recess, subject to the call of the Chair, for the purpose of meeting the honored guests.

Upon reconvening at 11:43 o'clock a.m., the Speaker assumed the rostrum.

ORDER OF THE DAY

DEFERRED RESOLUTIONS

The following resolutions (H.R. Nos. 543 to 607) and concurrent resolutions (H.C.R. Nos. 119 to 142) were disposed of as follows:

H.R. Nos.	Referred to:
543	Jointly to the Committees

- on Higher Education and Education,
then to the Committee on Health,
then to the Committee on Finance
- 544 Committee on Water,
Land Use, Development and Hawaiian
Homes, then to the Committee
on Finance
- 545 Committee on Consumer
Protection and Commerce, then
to the Committee on Finance, then
to the Committee on Legislative
Management
- 546 Jointly to the Committees
on Health and Youth and Elderly
Affairs, then to the Committee
on Finance
- 547 Committee on Education,
then to the Committee on Finance
- 548 Committee on Judiciary,
then to the Committee on Legislative
Management
- 549 Adopted
- 550 Committee on Education,
then to the Committee on Finance
- 551 Committee on Education,
then to the Committee on Finance
- 552 Committee on Education,
then to the Committee on Finance
- 553 Committee on Higher
Education, then to the Committee
on Finance
- 554 Committee on Energy
and Transportation
- 555 Committee on Public
Employment and Government
Operations, then to the Committee
on Finance
- 556 Committee on Housing,
then to the Committee on Legislative
Management
- 557 Committee on Judiciary
- 558 Committee on Judiciary
- 559 Committee on Energy
and Transportation, then to the
Committee on Legislative Management
- 560 Adopted
- 561 Adopted
- 562 Committee on Water,
Land Use, Development and Hawaiian
Homes
- 563 Committee on Energy
and Transportation, then to the
Committee on Finance
- 564 Committee on Energy
and Transportation, then to the
Committee on Education, then to
the Committee on Finance
- 565 Committee on Energy
and Transportation
- 566 Committee on Energy
and Transportation, then to the
Committee on Legislative Management
- 567 Committee on Water,
Land Use, Development and Hawaiian
Homes, then to the Committee on
Housing
- 568 Committee on Employment
Opportunities and Labor Relations,
then to the Committee on Finance
- 569 Committee on Health
- 570 Jointly to the Committees
on Health, Public Assistance and
Human Services and Youth and Elderly
Affairs, then to the Committee on
Legislative Management
- 571 Committee on Health,
then to the Committee on Legislative
Management
- 572 Committee on Water,
Land Use, Development and Hawaiian
Homes, then to the Committee on
Energy and Transportation, then
to the Committee on Finance
- 573 Committee on Ocean and
Marine Resources, then to the Committee
on Finance
- 574 Committee on Finance
- 575 Jointly to the Committees
on Ecology and Environment and
Agriculture, then to the Committee
on Finance
- 576 Committee on Judiciary,
then to the Committee on Finance
- 577 Committee on Judiciary
- 578 Committee on Water,
Land Use, Development and Hawaiian
Homes
- 579 Committee on Higher
Education, then to the Committee
on Finance
- 580 Jointly to the Committees
on Health and Public Employment
and Government Operations, then

- | | | |
|--|--------------------|---|
| to the Committee on Finance | 598 | Committee on Education,
then to the Committee on Finance |
| 581 Committee on Consumer
Protection and Commerce, then
to the Committee on Energy and
Transportation, then to the Committee
on Finance | 599 | Committee on Education,
then to the Committee on Finance |
| 582 Committee on Energy
and Transportation, then to the
Committee on Legislative Management | 600 | Committee on Judiciary |
| 583 Committee on Ocean
and Marine Resources | 601 | Committee on Culture
and the Arts |
| 584 Committee on Water,
Land Use, Development and Hawaiian
Homes, then to the Committee
on Finance | 602 | Jointly to the Committees
on Housing and Public Employment
and Government Operations, then
to the Committee on Finance |
| 585 Committee on Water,
Land Use, Development and Hawaiian
Homes | 603 | Committee on Higher
Education |
| 586 Committee on Water,
Land Use, Development and Hawaiian
Homes, then to the Committee
on Finance | <u>H.C.R. Nos.</u> | |
| 587 Jointly to the Committees
on Health and Agriculture, then
to the Committee on Finance | 119 | Jointly to the Committees
on Higher Education and Education,
then to the Committee on Health,
then to the Committee on Finance |
| 588 Committee on State
General Planning, then to the
Committee on Finance | 120 | Committee on Judiciary,
then to the Committee on Finance |
| 589 Committee on Judiciary | 121 | Committee on Judiciary,
then to the Committee on Legislative
Management |
| 590 Committee on Agriculture,
then to the Committee on Finance | 122 | Committee on Education,
then to the Committee on Finance |
| 591 Committee on Culture
and the Arts, then to the Committee
on Finance | 123 | Committee on Youth and
Elderly Affairs |
| 592 Committee on Energy
and Transportation, then to the
Committee on Finance | 124 | Jointly to the Committees
on State General Planning and Housing,
then to the Committee on Finance |
| 593 Committee on Water,
Land Use, Development and Hawaiian
Homes | 125 | Committee on Judiciary |
| 594 Jointly to the Committees
on Water, Land Use, Development
and Hawaiian Homes and Ecology
and Environment | 126 | Committee on Judiciary |
| 595 Committee on Finance | 127 | Committee on State General
Planning, then to the Committee
on Finance |
| 596 Jointly to the Committees
on Water, Land Use, Development
and Hawaiian Homes and Agriculture | 128 | Jointly to the Committees
on State General Planning and Tourism,
then to the Committee on Finance |
| 597 Committee on Consumer
Protection and Commerce, then
to the Committee on Public Assistance
and Human Services, then to the
Committee on Finance | 129 | Committee on Energy
and Transportation |
| | 130 | Committee on Water,
Land Use, Development and Hawaiian
Homes, then to the Committee on
Finance |
| | 131 | Committee on Judiciary |
| | 132 | Jointly to the Committees
on State General Planning and Tourism,
then to the Committee on Finance |
| | 133 | Jointly to the Committees |

on Water, Land Use, Development and Hawaiian Homes and Ocean and Marine Resources

134 Jointly to the Committees on Health and Public Employment and Government Operations, then to the Committee on Finance

135 Jointly to the Committees on Ecology and Environment and Agriculture, then to the Committee on Finance

136 Committee on Health, then to the Committee on Legislative Management

137 Committee on Energy and Transportation

138 Committee on Water, Land Use, Development and Hawaiian Homes

139 Jointly to the Committees on Water, Land Use, Development and Hawaiian Homes and Agriculture

140 Committee on Energy and Transportation

141 Committee on Education, then to the Committee on Finance

142 Committee on Judiciary

SUSPENSION OF RULES

On motion by Representative Yuen, seconded by Representative Kamalii and carried, the rules were suspended for the purpose of taking up bills on Third Reading on the basis of a modified consent calendar.

UNFINISHED BUSINESS

Stand. Com. Rep. No. 764-78 on S.B. No. 2380-78 (Deferred from March 22, 1978):

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and S.B. No. 2380-78, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII", having been read throughout, passed Third Reading by a vote of 49 ayes, with Representatives Abercrombie and Baker being excused.

Stand. Com. Rep. No. 765-78 on S.B. No. 1596-78, SD 1 (Deferred from March 22, 1978):

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and S.B. No. 1596-78, SD 1, entitled: "A BILL FOR AN ACT RELATING TO A STUDY ON THE DEVELOPMENT OF AN EFFECTIVE USED OIL RECYCLING PROGRAM", having been read throughout, passed Third Reading by a vote of 49 ayes, with Representatives Abercrombie and Baker being excused.

The Chair directed the Clerk to note that S.B. Nos. 2380-78 and 1596-78 had passed Third Reading at 11:45 o'clock a.m.

STANDING COMMITTEE REPORTS

Representative Shito, for the Committee on Housing, presented a report (Stand. Com. Rep. No. 772-78) recommending that H.R. No. 265, HD 1, be referred to the Committee on Legislative Management.

On motion by Representative Shito, seconded by Representative Nakamura and carried, the report of the Committee was adopted and H.R. No. 265, HD 1, entitled: "HOUSE RESOLUTION REQUESTING A HEARING ON THE PROGRESS FOR PLANS RELATING TO THE REDEVELOPMENT AND REHABILITATION OF THE KALAKAUA HOMES PROJECT", was referred to the Committee on Legislative Management.

Representative Aki, for the Committee on Youth and Elderly Affairs, presented a report (Stand. Com. Rep. No. 773-78) recommending that H.R. No. 324, as amended in HD 1, be referred to the Committee on Water, Land Use, Development and Hawaiian Homes.

On motion by Representative Aki, seconded by Representative Campbell and carried, the report of the Committee was adopted and H.R. No. 324, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE FEDERAL GOVERNMENT TO TRANSFER THE TITLE OWNERSHIP OF THE LAND AND BUILDING IN MAILE, OAHU, POPULARLY KNOWN AS THE 'VOICE OF AMERICA' LAND, OVER TO THE STATE OF HAWAII FOR USE BY ITS SENIOR CITIZENS", was referred to the Committee on Water, Land Use, Development and Hawaiian Homes.

Representative Aki, for the Committee on Youth and Elderly Affairs, presented a report (Stand. Com. Rep. No. 774-78) recommending that H.C.R. No. 66, as amended in HD 1, be referred to the Committee on Water, Land Use, Development and Hawaiian Homes.

On motion by Representative Aki,

seconded by Representative Campbell and carried, the report of the Committee was adopted and H.C.R. No. 66, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE FEDERAL GOVERNMENT TO TRANSFER THE TITLE OWNERSHIP OF THE LAND AND BUILDING IN MAILE, OAHU, POPULARLY KNOWN AS THE 'VOICE OF AMERICA' LAND, OVER TO THE STATE OF HAWAII FOR USE BY ITS SENIOR CITIZENS", was referred to the Committee on Water, Land Use, Development and Hawaiian Homes.

Representative Aki, for the Committee on Youth and Elderly Affairs, presented a report (Stand. Com. Rep. No. 775-78) recommending that H.R. No. 202, as amended in HD 1, be referred to the Committee on Higher Education.

On motion by Representative Aki, seconded by Representative Campbell and carried, the report of the Committee was adopted and H.R. No. 202, HD 1, entitled: "HOUSE RESOLUTION URGING THE UNIVERSITY OF HAWAII TO ESTABLISH CHILD CARE FACILITIES AND PROGRAMS FOR THE UNIVERSITY OF HAWAII SYSTEM", was referred to the Committee on Higher Education.

Representatives Aki and Ushijima, for the Committees on Youth and Elderly Affairs and Higher Education, presented a joint report (Stand. Com. Rep. No. 776-78) recommending that H.R. No. 375, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Aki, seconded by Representative Ushijima and carried, the joint report of the Committees was adopted and H.R. No. 375, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE INCLUSION OF GERIATRIC MEDICINE IN THE CURRICULUM OF THE JOHN A. BURNS SCHOOL OF MEDICINE OF THE UNIVERSITY OF HAWAII", was referred to the Committee on Finance.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 777-78) recommending that H.C.R. No. 50 be referred to the Committee on Legislative Management.

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and H.C.R. No. 50, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE

LEGISLATIVE AUDITOR TO CONDUCT AN AUDIT OF THE REAL ESTATE COMMISSION", was referred to the Committee on Legislative Management.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 606 and 607) were referred to the Committee on Legislative Management and further action was deferred until Tuesday, March 28, 1978:

A resolution (H.R. No. 606) commending the problem of unsolicited commercial telephone calls to the Public Utilities Commission was offered by Representative D. Yamada.

A resolution (H.R. No. 607) relating to standing and special committees authorized to conduct hearings during the interim between the adjournment of the Regular Session of 1978 and the convening of the Regular Session of 1979 was jointly offered by Representatives Kunimura, Lunasco, Peters and Suwa.

The following resolutions (H.R. Nos. 608 to 612) and concurrent resolution (H.C.R. No. 143) were read by the Clerk and were disposed of as follows:

A resolution (H.R. No. 608) commending Edgar Tesoro on his achievements was jointly offered by Representatives Caldito, Aki, Blair, Cobb, Dods, Inaba, Kiyabu, Kondo, Larsen, Machida, Mina, Morioka, Peters, Say, Stanley, Takamine, Takamura, Ueoka, Uwaine and K. Yamada.

On motion by Representative Caldito, seconded by Representative Machida and carried, H.R. No. 608 was adopted.

A resolution (H.R. No. 609) commending Jon Garcia on his outstanding leadership and contributions to the game of basketball was jointly offered by Representatives Caldito, Blair, Cobb, Dods, Inaba, Kiyabu, Kondo, Larsen, Machida, Mina, Morioka, Peters, Say, Stanley, Takamine, Takamura, Ueoka, Uwaine and K. Yamada.

On motion by Representative Caldito, seconded by Representative Machida and carried, H.R. No. 609 was adopted.

A resolution (H.R. No. 610) commending the Waianae Boxing Club on its success at the Hawaii State Golden Gloves Championship and extending best wishes on representing Hawaii at the National Golden Gloves Championship

in Albuquerque, New Mexico was jointly offered by Representatives Peters, Aki, Cayetano, Cobb, Kamalii, Kondo, Larsen, Mina, Morioka, Poepoe, Say, Sutton, Toguchi, Uechi, Ueoka, K. Yamada and Yuen.

On motion by Representative Peters, seconded by Representative Aki and carried, H.R. No. 610 was adopted.

A resolution (H.R. No. 611) commending the members of SHOPO for their sincere efforts in establishing and preserving good relations with the members of the House of Representatives was jointly offered by Representatives Kiyabu, Mizuguchi, Peters, Caldito, Yuen, Say, Lunasco, Campbell, Narvaes, Ajifu, Aki, Blair, Carroll, Cayetano, Cobb, Dods, Fong, Garcia, Inaba, Kamalii, Kawakami, Kihano, Kondo, Kunimura, Larsen, Machida, Medeiros, Mina, Morioka, Nakamura, Poepoe, Segawa, Shito, Stanley, Sutton, Suwa, Takamine, Takamura, Toguchi, Uechi, Ueoka, Ushijima, Uwayne, D. Yamada, K. Yamada and Wakatsuki.

On motion by Representative Kiyabu, seconded by Representative Mizuguchi and carried, H.R. No. 611 was adopted.

A resolution (H.R. No. 612) commending the Junior League of Honolulu and the University of Hawaii for holding a conference on "The Family in Hawaii" was jointly offered by Representatives Mizuguchi, Ushijima, Aki, Caldito, Campbell, Carroll, Cayetano, Cobb, Fong, Kawakami, Kiyabu, Kunimura, Lunasco, Mina, Morioka, Peters, Poepoe, Say and Toguchi.

On motion by Representative Mizuguchi, seconded by Representative Ushijima and carried, H.R. No. 612 was adopted.

A concurrent resolution (H.C.R. No. 143) commending the Hawaii Chapter of the Delta Kappa Gamma Society International for their voluntary assistance in conducting the preliminary survey of after-school activities of elementary school-age children for the Office of Children and Youth was jointly offered by Representatives Aki, Caldito, Campbell, Cayetano, Kiyabu, Kondo, Kunimura, Machida, Mizuguchi, Morioka, Nakamura, Narvaes, Peters, Say, Stanley, Suwa, Ueoka, D. Yamada and K. Yamada.

On motion by Representative Aki, seconded by Representative Campbell and carried, H.C.R. No. 143 was adopted.

At this time, Representative Nakamura

rose and stated:

"Mr. Speaker, I would like to make a comment. For the record, Representative Charles Toguchi and I were not present for the 45th Day, yesterday, because we were out at Hauula and Laie for the groundbreaking ceremony of the State Sacred Falls Park and also the Malai-Kahana State Park. For the record, Mr. Speaker."

The Chair then said:

"The Journal will so note."

THIRD READING

S.B. No. 1773-78, SD 2, HD 1

On motion by Representative Cayetano, seconded by Representative Stanley and carried, S.B. No. 1773-78, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COUNTIES", having been read throughout, passed Third Reading by a vote of 49 ayes, with Representatives Abercrombie and Baker being excused.

The Chair directed the Clerk to note that S.B. No. 1773-78 had passed Third Reading at 11:50 o'clock a.m.

At 11:51 o'clock a.m., on request by Representative Cobb, the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:59 o'clock a.m., Representative K. Yamada introduced the following to the members of the House: Councilman Tom Fujii; Mr. Jack Keppeler, Managing Director, and one of his staff members, Mr. Albert Nakaji.

STANDING COMMITTEE REPORTS

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 778-78) recommending that H.C.R. No. 64 be adopted.

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and H.C.R. No. 64, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING CONGRESS TO AMEND THE SOLDIERS' AND SAILORS' CIVIL RELIEF ACT", was adopted.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 779-78) recommending that S.B. No. 2602-78 pass Third

Reading.

By unanimous consent, action on Stand. Com. Rep. No. 779-78 on S.B. No. 2602-78 was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 2602-78 were made available to the members of the House at 11:00 o'clock a.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 780-78) recommending that S.B. No. 2005-78, SD 1, HD 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 780-78 on S.B. No. 2005-78, SD 1, HD 1, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 2005-78, SD 1, HD 1, were made available to the members of the House at 11:00 o'clock a.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 781-78) recommending that S.B. No. 113, SD 1, as amended in HD 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 781-78 on S.B. No. 113, SD 1, HD 1, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 113, SD 1, HD 1, were made available to the members of the House at 11:00 o'clock a.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 782-78) recommending that S.B. No. 1533-78, SD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 782-78 on S.B. No. 1533-78, SD 1, HD 2, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 1533-78, SD 1, HD 2, were made available to the members of the House at 11:00 o'clock a.m.

Representative Suwa, for the

Committee on Finance, presented a report (Stand. Com. Rep. No. 783-78) recommending that S.B. No. 2279-78, HD 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 783-78 on S.B. No. 2279-78, HD 1, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 2279-78, HD 1, were made available to the members of the House at 11:00 o'clock a.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 784-78) recommending that S.B. No. 2617-78, SD 1, HD 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 784-78 on S.B. No. 2617-78, SD 1, HD 1, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 2617-78, SD 1, HD 1, were made available to the members of the House at 11:00 o'clock a.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 785-78) recommending that S.B. No. 2616-78, HD 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 785-78 on S.B. No. 2616-78, HD 1, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 2616-78, HD 1, were made available to the members of the House at 11:00 o'clock a.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 786-78) recommending that S.B. No. 1342, HD 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 786-78 on S.B. No. 1342, HD 2, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 1342, HD 2, were made available to the members of the House at 11:00 o'clock a.m.

Representative Segawa, for the majority of the Committee on Health, presented a report (Stand. Com. Rep. No. 787-78) recommending that S.B. No. 1643-78, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 787-78 on S.B. No. 1643-78, HD 2, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 1643-78, HD 2, were made available to the members of the House at 11:00 o'clock a.m.

Representative Takamine, for the Committee on Employment Opportunities and Labor Relations, presented a report (Stand. Com. Rep. No. 788-78) recommending that S.B. No. 2567-78, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Takamine, seconded by Representative Peters and carried, the report of the Committee was adopted and S.B. No. 2567-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY", passed Second Reading and was placed on the calendar for Third Reading on Tuesday, March 28, 1978.

Representative Takamine, for the Committee on Employment Opportunities and Labor Relations, presented a report (Stand. Com. Rep. No. 789-78) recommending that S.B. No. 2100-78, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Takamine moved that the report of the Committee be adopted and S.B. No. 2100-78, SD 1, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Peters.

Representative Campbell then rose to speak in favor of the bill, stating:

"The purpose of this bill is to amend the provision of the Hawaii Employment Security Law regarding the disqualification of individuals who have been suspended for misconduct connected with their work.

Under the present law, according to the Committee Report, an individual who has been suspended from his job for misconduct connected with his work must be disqualified from receiving unemployment insurance benefits and this disqualification period lasts until the individual has subsequently worked for five

consecutive weeks.

Mr. Speaker, I urge support of this bill because I think this bill will close a loophole by which an unprincipled employer could take undue advantage of his employees.

Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 2100-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNEMPLOYMENT INSURANCE", passed Second Reading and was placed on the calendar for Third Reading on Tuesday, March 28, 1978, with Representatives Ajifu and Sutton voting no.

The Chair directed the Clerk to note that printed copies of S.B. Nos. 2567-78, SD 1, HD 1, and 2100-78, SD 1, HD 1, were made available to the members of the House at 11:00 o'clock a.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 790-78) recommending that S.B. No. 2302-78, as amended in HD 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 790-78 on S.B. No. 2302-78, HD 2, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 2302-78, HD 2, were made available to the members of the House at 11:00 o'clock a.m.

Representative Kunimura, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 791-78) informing the House that House Resolution Nos. 531 to 540, House Concurrent Resolution Nos. 113 to 118, and Standing Committee Report Nos. 760-78 to 770-78, have been printed and distributed.

On motion by Representative Kunimura, seconded by Representative Lunasco and carried, the report of the Committee was adopted.

The Chair, at this time, made the following announcement:

"The Chair would like to remind all members that Tuesday is the last day to deck your Senate bills with House amendments. There will be no exceptions."

Representative Say then rose and

stated:

"I want to thank the bunny who gave me the eggs and the cookies and I hope she is a Playboy Bunny.

Thank you."

Upon being recognized, Representative Cayetano stated:

"If Representative Say will proceed to my office, the bunny is there."

Representative Suwa then said:

"It's okay for the young boys to receive that but an old man like me received a package also and it says, 'Guess who the bunny is', so I'm trying to guess. I know it is not my wife's handwriting, so tonight, I may not be able to sleep."

At 12:07 o'clock p.m., on request by Representative Kondo, the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 12:35 o'clock p.m., Representative Toguchi rose on a point of information and asked:

"I would like to ask my neighbor on my left here - what is this contraption on this desk here? Since it's taking up half of my desk, I would like to know whether he got it from the Easter Bunny, and I see some eggs inside of it, but I would also like to know who laid the eggs, so may I direct the questions to him?"

Representative Cayetano answered:

"Mr. Speaker, the origin of this basket is a complete mystery to me, and I have been discussing it with my counsel, Representative Kunimura. May I yield to him for the answer, please?"

The Chair recognized Representative Kunimura and he stated:

"Thank you, Mr. Speaker. It is honestly a mystery and it even has eggs and Chinese cookies so I immediately. . . Ben asked me what it was all about, so I consulted the Ouija board, and I thought the Ouija board was crazy. He went back as far as San Francisco and he spelled out 'B-A-R-T', and he kept meandering about on the board."

Representative Poepoe, at this point, interrupted and asked:

"Is that a 'B' or an 'F' on the end?"

Representative Kunimura replied:

"It's a BART, and then it even spelled out the heart and all of a sudden, it spelled out 'C-E-R-T' and I said, 'oh, my God, that must be bad', and then it finally ended up with this very peculiar spelling, 'FART', and then, I asked more questions and it started talking about a resolution with some forty-four signatures, and it didn't say, 'bunny', it said, 'Jack rabbits'

And finally, the whole thing - the mystery - is very clear. I guess the resolution introduced by the Chairman of the Transportation Committee joked at the bunny across the street that he gave one big Easter egg, and that is why it was sent over to this House to commemorate the introduction of that earth-shaking resolution, and so this is the Easter egg that was, you know, the outcome of the FART and that's Frank's Area Rapid Transit and, Mr. Speaker, you wouldn't believe it, but it was laid by a Jack rabbit."

Representative Suwa then rose and remarked:

"Mr. Speaker, it takes an old man like me to find out. That's an incubator and that somebody is going to get pregnant."

Representative Larsen then rose on a point of information and the Chair asked:

"Are you volunteering?"

Representative Larsen answered:

"No, sir. That was an interesting monologue from the gentleman from Kauai, but the facts of the matter are that Representative Sutton laid the eggs this morning."

Representative Kunimura then rose and remarked:

"If you will note, there are two Jacks in this House and they both responded so it must be the egg of a Jack rabbit."

The Chair then made the following announcement:

"The Chair would like to announce that we will recess to 4:30 this afternoon. At that time, we will pass on Second Reading as many bills as reported to the floor."

We will begin session on Tuesday at 10:00 a.m.

The Chair expects all of you to be present at 4:30 this afternoon."

At 12:30 o'clock p.m., on motion by Representative Yuen, seconded by Representative Kamalii and carried, the House of Representatives stood in recess until 4:30 o'clock p.m. this afternoon.

AFTERNOON SESSION

The House of Representatives reconvened at 4:57 o'clock p.m.

STANDING COMMITTEE REPORTS

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 792-78) recommending that S.B. No. 2202-78, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and S.B. No. 2202-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAPITAL IMPROVEMENT PROJECTS AND AUTHORIZING THE ISSUANCE OF BONDS", passed Second Reading and was placed on the calendar for Third Reading on Tuesday, March 28, 1978.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 793-78) recommending that S.B. No. 1469, SD 1, as amended in HD 2, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and S.B. No. 1469, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE", passed Second Reading and was placed on the calendar for Third Reading on Tuesday, March 28, 1978.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 794-78) recommending that S.B. No. 2620-78, SD 2, pass Second Reading and be placed on the calendar

for Third Reading.

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and S.B. No. 2620-78, SD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE", passed Second Reading and was placed on the calendar for Third Reading on Tuesday, March 28, 1978.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 795-78) recommending that S.B. No. 380, SD 2, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and S.B. No. 380, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RETIREMENT FOR SEWER WORKERS", passed Second Reading and was placed on the calendar for Third Reading on Tuesday, March 28, 1978.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 796-78) recommending that S.B. No. 2478-78, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and S.B. No. 2478-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO IMPROVEMENT BY ASSESSMENT", passed Second Reading and was placed on the calendar for Third Reading on Tuesday, March 28, 1978.

Representatives Naito and Garcia, for the Committees on Corrections and Rehabilitation and Judiciary, presented a joint report (Stand. Com. Rep. No. 797-78) recommending that S.B. No. 2591-78, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Blair, seconded by Representative Cobb and carried, the joint report of the Committees was adopted and S.B. No. 2591-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE INTAKE SERVICE CENTERS", passed Second Reading and was referred to the Committee on Finance.

Representative Suwa, for the majority

of the Committee on Finance, presented a report (Stand. Com. Rep. No. 798-78) recommending that S.B. No. 1782-78, HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the majority of the Committee was adopted and S.B. No. 1782-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE", passed Second Reading and was placed on the calendar for Third Reading on Tuesday, March 28, 1978, with Representatives Cayetano and Sutton voting no.

The Chair directed the Clerk to note that printed copies of S.B. Nos. 2202-78, SD 1, HD 1; 1469, SD 1, HD 2; 2620-78, SD 2; 380, SD 2, HD 1; 2478-78, SD 1, HD 1; and 1782-78, HD 1, were made available to the members of the House at 4:30 o'clock p.m.

The Chair, at this time, stated:

"It is intended to declare a recess, subject to the call of the Chair, that all Committee Reports, if possible, be submitted sometime during this evening, and the reports will be made available to all members by distribution on the desks, and for those who would not be able to be here to look at the reports tonight, you may come down here tomorrow, Sunday, or Monday, to look at these reports for action on Tuesday."

At 5:04 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 5:07 o'clock p.m.

Representative Kamalii then rose and stated:

"I probably would not have the opportunity later this evening, but I would like to take it now, if I may, to wish all of my colleagues a very Happy Easter and have lots of rest, and we will see you back here on Tuesday."

The Chair responded, stating:

"The same blessings are extended to the Minority from the Majority."

Representative Kunimura then wished all of his colleagues a very happy Kuhio Day.

The Chair then stated:

"The Chair would like to remind all members that session will begin Tuesday promptly at 10:00 o'clock a.m."

The following motion was then made:

"By unanimous consent, all copies of bills made available to the members of the House by 10:00 o'clock p.m. this evening shall be deferred one legislative day to comply with the constitutional requirement."

At 5:08 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

STANDING COMMITTEE REPORTS

The following Committee Reports were received not later than 10:00 o'clock p.m. this legislative day:

Representative Suwa, for the majority of the Committee on Finance, presented a report (Stand. Com. Rep. No. 799-78) recommending that S.B. No. 1622-78, SD 1, HD 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 799-78 on S.B. No. 1622-78, SD 1, HD 1, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 1622-78, SD 1, HD 1, were made available to the members of the House at 11:30 o'clock p.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 800-78) recommending that S.B. No. 2614-78 pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 800-78 on S.B. No. 2614-78 was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 2614-78 were made available to the members of the House at 11:30 o'clock p.m.

Representative Suwa, for the majority of the Committee on Finance, presented a report (Stand. Com. Rep. No. 801-78) recommending that S.B. No. 1787-

78, SD 1, HD 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 801-78 on S.B. No. 1787-78, SD 1, HD 1, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 1787-78, SD 1, HD 1, were made available to the members of the House at 11:30 o'clock p.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 802-78) recommending that S.B. No. 1627-78 pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 802-78 on S.B. No. 1627-78 was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 1627-78 were made available to the members of the House at 11:30 o'clock p.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 803-78) recommending that S.B. No. 2609-78, SD 1, HD 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 803-78 on S.B. No. 2609-78, SD 1, HD 1, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 2609-78, SD 1, HD 1, were made available to the members of the House at 11:30 o'clock p.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 804-78) recommending that S.B. No. 389, SD 1, HD 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 804-78 on S.B. No. 389, SD 1, HD 1, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 389, SD 1, HD 1, were made available to the members of the House at 11:30 o'clock p.m.

Representative Suwa, for the Committee on Finance, presented

a report (Stand. Com. Rep. No. 805-78) recommending that S.B. No. 1673-78, SD 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 805-78 on S.B. No. 1673-78, SD 1, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 1673-78, SD 1, were made available to the members of the House at 11:30 o'clock p.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 806-78) recommending that S.B. No. 1811-78, SD 2, as amended in HD 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 806-78 on S.B. No. 1811-78, SD 2, HD 2, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 1811-78, SD 2, HD 2, were made available to the members of the House at 11:30 o'clock p.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 807-78) recommending that S.B. No. 1690-78, SD 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 807-78 on S.B. No. 1690-78, SD 1, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 1690-78, SD 1, were made available to the members of the House at 11:30 o'clock p.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 808-78) recommending that S.B. No. 36, SD 1, HD 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 808-78 on S.B. No. 36, SD 1, HD 1, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 36, SD 1, HD 1, were made available to the members of the House at 11:30 o'clock p.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 809-78) recommending that S.B. No. 1591-78, SD 1, HD 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 809-78 on S.B. No. 1591-78, SD 1, HD 1, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 1591-78, SD 1, HD 1, were made available to the members of the House at 11:30 o'clock p.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 810-78) recommending that S.B. No. 1772-78 pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 810-78 on S.B. No. 1772-78 was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 1772-78 were made available to the members of the House at 11:30 o'clock p.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 811-78) recommending that S.B. No. 2190-78 pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 811-78 on S.B. No. 2190-78 was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 2190-78 were made available to the members of the House at 11:30 o'clock p.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 812-78) recommending that S.B. No. 1752-78, HD 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 812-78 on S.B. No. 1752-78, HD 1, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 1752-78, HD 1, were made available to the members of the House at 11:30 o'clock p.m.

Representative Suwa, for the majority of the Committee on Finance, presented a report (Stand. Com. Rep. No. 813-78) recommending that S.B. No. 2386-78, SD 2, as amended in HD 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 813-78 on S.B. No. 2386-78, SD 2, HD 2, was deferred until Tuesday, March 28, 1978, and

in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 2386-78, SD 2, HD 2, were made available to the members of the House at 11:30 o'clock p.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 814-78) recommending that S.B. No. 2559-78, HD 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 814-78 on S.B. No. 2559-78, HD 1, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 2559-78, HD 1, were made available to the members of the House at 11:30 o'clock p.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 815-78) recommending that S.B. No. 1581-78, SD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 815-78 on S.B. No. 1581-78, SD 1, HD 2, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 1581-78, SD 1, HD 2, were made available to the members of the House at 11:30 o'clock p.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 816-78) recommending that S.B. No. 2114-78, HD 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 816-78 on S.B. No. 2114-78, HD 1, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 2114-78, HD 1, were made available to the members of the House at 11:30 o'clock p.m.

Representative Cayetano, for the Committee on Energy and Transportation, presented a report (Stand. Com. Rep. No. 817-78) recommending that S.B. No. 782, SD 1, HD 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 817-78 on S.B. No. 782, SD 1, HD 1, was deferred until Tuesday, March 28, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 782, SD 1, HD 1, were made available

to the members of the House at 11:30
o'clock p.m.

ADJOURNMENT

At 12:00 o'clock midnight, the
House of Representatives adjourned
to 10:00 o'clock a.m. on Tuesday,
March 28, 1978.

FORTY-SEVENTH DAY

Tuesday, March 28, 1978

The House of Representatives of the Ninth Legislature of the State of Hawaii, Regular Session of 1978, convened at 10:00 o'clock a.m., with the Speaker presiding.

The Divine Blessing was invoked by the Reverend Harold Gallagher of the Kaimuki Christian Church, after which the Roll was called showing all members present.

The Clerk proceeded to read the Journal of the House of Representatives of the Forty-Sixth Day.

On motion by Representative Yuen, seconded by Representative Kamalii and carried, reading of the Journal was dispensed with and the Journal of the Forty-Sixth Day was approved.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Nos. 184 to 190) were read by the Clerk and were disposed of as follows:

A communication from the Senate (Sen. Com. No. 184) transmitting Senate Concurrent Resolution No. 65, SD 1, requesting a feasibility study of transferring the real property acquisition function of the Department of Transportation to either the Department of Accounting and General Services or the Department of Land and Natural Resources which was adopted by the Senate on March 23, 1978, was placed on file.

A communication from the Senate (Sen. Com. No. 185) transmitting Senate Concurrent Resolution No. 80, SD 1, requesting the Hawaiian Homes Commission to continue its pre-school program for the children of the Anahola Hawaiian Homes at Anahola School, Kauai, which was adopted by the Senate on March 23, 1978, was placed on file.

By unanimous consent, further action on S.C.R. Nos. 65, SD 1, and 80, SD 1, was deferred until later in the calendar.

A communication from the Senate (Sen. Com. No. 186) returning House Bill No. 2097-78 which passed Third Reading in the Senate on March 23, 1978, was placed on file.

A communication from the Senate (Sen. Com. No. 187) returning House Bill No. 196 which passed Third Reading in the Senate on March 23, 1978, in an amended form, was placed on file.

By unanimous consent, H.B. No. 196, as amended by the Senate, was placed on the Clerk's desk, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of H.B. No. 196, SD 1, were made available to the members of the House at 10:00 o'clock a.m.

A communication from the Senate (Sen. Com. No. 188) returning House Bill No. 258, HD 1, which passed Third Reading in the Senate on March 23, 1978, in an amended form, was placed on file.

By unanimous consent, H.B. No. 258, HD 1, as amended by the Senate, was placed on the Clerk's desk, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of H.B. No. 258, HD 1, SD 1, were made available to the members of the House at 10:00 o'clock a.m.

A communication from the Senate (Sen. Com. No. 189) returning House Bill No. 610, HD 2, which passed Third Reading in the Senate on March 23, 1978, in an amended form, was placed on file.

By unanimous consent, H.B. No. 610, HD 2, as amended by the Senate, was placed on the Clerk's desk, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of H.B. No. 610, HD 2, SD 1, were made available to the members of the House at 10:00 o'clock a.m.

A communication from the Senate (Sen. Com. No. 190) returning House Bill No. 2169-78, HD 2, which passed Third Reading in the Senate on March 23, 1978, in an amended form, was placed on file.

By unanimous consent, H.B. No. 2169-78, HD 2, as amended by the Senate, was placed on the Clerk's desk, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of H.B. No. 2169-78, HD 2, SD 1, were made available to the members of the House at 10:00 o'clock a.m.

At this time, the following introductions were made to the members of the House:

Representative Cobb introduced Nathan Ing and Brendan Lee, student interns from Iolani School; and Mr. and Mrs. Fred Benedetti and their children, Casey and Grant, from Linden, California.

Representative Lunasco introduced Fred Cambonga, Corinne and Destry Lunasco, his nieces and nephew; and Ted and Shane Lunasco, his sons, who were seated in the gallery.

ORDER OF THE DAY

DEFERRED RESOLUTIONS

The following resolutions (H.R. Nos. 606 and 607) and concurrent resolutions (S.C.R. Nos. 65 and 80) were disposed of as follows:

H.R. Nos. Referred to:

606 Committee on Consumer Protection and Commerce, then to the Committee on Finance

607 Committee on Legislative Management

S.C.R. Nos.

65 Jointly to the Committees on Public Employment and Government Operations and Energy and Transportation, then to the Committee on Water, Land Use, Development, and Hawaiian Homes, then to the Committee on Finance

80 Committee on Education, then to the Committee on Water, Land Use, Development and Hawaiian Homes

COMMITTEE REASSIGNMENT

House Resolution No. 545 was re-referred to the Committee on Consumer Protection and Commerce, then to the Committee on Housing, then to the Committee on Finance, then to the Committee on Legislative Management.

SUSPENSION OF RULES

On motion by Representative Yuen, seconded by Representative Kamalii and carried, the rules were suspended for the purpose of considering a resolution.

INTRODUCTION OF RESOLUTION

At this time, the Clerk read House

Resolution No. 483 congratulating Janice Kim, 1977 Miss Koreana, which was adopted earlier.

Representative Ikeda then introduced Miss Koreana, Janice Kim, and Representative Kunimura introduced her mother and grandmother.

Representative Kunimura then stated:

"Mr. Speaker, on behalf of the Korean people of the State of Hawaii who are celebrating their 75th anniversary of the coming of the Korean immigrants to Hawaii, I've been asked to present something that would keep this House cool in the closing days of the session. So, with your permission and with the help of the Sgt. at Arms' staff, I would like to make a presentation to the entire House."

Upon receiving permission from the Chair, colorful Korean fans were distributed to the members of the House, and Representative Ushijima presented Miss Koreana with a white carnation lei and a certified copy of the resolution.

The Chair then appointed Representatives Kunimura, Ikeda, Blair, Ushijima, Lunasco and Narvaes to "escort Miss Koreana to the rostrum in order for her to give us a few words of wisdom."

The Chair then presented Miss Kim to the members of the House, stating:

"Members of the House, ladies and gentlemen, it is my distinct privilege to present to you the 1977 Miss Koreana, Janice Kim."

Miss Kim responded by saying:

"Thank you, Mr. Speaker, members of the House, Representatives Kunimura and Ikeda.

I would like to thank you today for the honor you have given me, but also for your courage in recognizing me as Miss Koreana and the representative of the Korean community.

I say courage because we are at a time when it is distressing to Americans of Korean descent that, perhaps not here in Hawaii, but in other places of the world, they are not having it too easy under a certain painting of the brush - all members of the community, irregardless of whether they are Americans or whether they are from a foreign country. And so I thank you and my community thanks you. And I can only say one thing, lucky we all live in Hawaii."

At 10:18 o'clock a.m., the Chair declared

a recess, subject to the call of the Chair, "for the purpose of extending our personal congratulations to our honored guest."

Upon reconvening at 10:25 o'clock a.m., the Vice Speaker assumed the rostrum.

Representative Kunimura then rose "to make a short reply to the message delivered by Miss Kim", stating:

"Yes, Mr. Speaker, when Miss Kim made the talk to this House and called us brave, I really feel appreciative, because only in Hawaii do we have the kind of deep warmth and the kind of deep love that, though people of Korean ancestry may have difficulty in other parts of the United States, here in Hawaii, we don't even look at Janice Kim or her father or any Korean but as Americans and Hawaiians first, because in 1941, after December 7th, there were few Americans that suffered the same kind of difficulty. Before that, during WW I, it was the Germans.

I hope the rest of the nation will follow the leadership of Hawaii, that we are Americans first, last and always.

Thank you."

Representative Cobb then rose and stated:

"I would like to add to the remarks just previously made because it was eleven years ago this month that, finally, the Supreme Court of the United States struck down laws that prohibited people of different races from marrying. And at the time that decision was made, seventeen states in this country of ours had such laws.

I wanted to commend Miss Kim for her honor and her courage. I'm speaking personally because my wife is Korean and that's a part I'm very proud of. Too often, the brush has been painted far and wide by irresponsible members of the media or by equally irresponsible members of Congress, when it comes to allegations involving one or two individuals. I don't think that an entire racial minority should be caused to suffer for that.

But the most beautiful thing that I saw today was that a lovely girl of mixed parentage, of mixed racial ancestry, would represent the entire Korean community. I am grateful and proud that she was with us here today and I think that's a great foreboding of things to come here in Hawaii.

I am hopeful that it will not only be in Hawaii that this can happen.

Thank you."

SUSPENSION OF RULES

On motion by Representative Yuen, seconded by Representative Kamalii and carried, the rules were suspended for the purpose of taking up bills on Third Reading on the basis of a modified consent calendar.

UNFINISHED BUSINESS

Stand. Com. Rep. No. 779-78 on S.B. No. 2602-78 (Deferred from March 23, 1978):

On motion by Representative Mizuguchi, seconded by Representative Peters and carried, the report of the Committee was adopted and S.B. No. 2602-78, entitled: "A BILL FOR AN ACT RELATING TO INACTIVE STUDENT ACTIVITY ACCOUNTS", having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives Aki, Garcia and Kiyabu being excused.

At 10:30 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 10:32 o'clock a.m.

Stand. Com. Rep. No. 780-78 on S.B. No. 2005-78, SD 1, HD 1 (Deferred from March 23, 1978):

On motion by Representative Inaba, seconded by Representative Lunasco and carried, the report of the Committee was adopted and S.B. No. 2005-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FARM LOANS", having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives Aki, Garcia and Kiyabu being excused.

Stand. Com. Rep. No. 781-78 on S.B. No. 113, SD 1, HD 1 (Deferred from March 23, 1978):

Representative Mizuguchi moved that the report of the Committee be adopted and that S.B. No. 113, SD 1, HD 1, having been read throughout, pass Third Reading, seconded by Representative Campbell.

Representative Abercrombie then rose and asked:

"Before I vote, I wonder if one of the chairmen would yield to a question?"

The Chair then asked:

"Representative Mizuguchi, will you yield to a question?"

Representative Mizuguchi replied:

"I will."

Representative Abercrombie then asked:

"I don't think necessarily this is addressed to the chairman only, but this is something that bothers me. In the fourth paragraph, your committee has amended this bill to change 'chairman' to 'chairperson'. Why is that? I'm under the impression that 'chairman' is generic and an official term and refers to both males and females, and this 'chairperson' business is an affectation. If that's the case, I wonder who will sign, you know, the compensation, travel expense warrants, and so on, should this be deleted. But is it necessary to have this 'chairperson' in there? Is that a policy of the House? Is it a policy of the committee? Is it a necessary situation?"

Representative Mizuguchi answered:

"Yes. With equal rights, we just felt that the term 'chairperson' would be appropriate."

The Chair then asked:

"Does that answer your question, Representative Abercrombie?"

Representative Abercrombie replied:

"No. Yes, that answers that question. May I address a question to the Chair?"

Upon being directed to "proceed", Representative Abercrombie asked:

"Is this to be our policy in respect of bills, either in terms of . . . no, bills in committee reports or both?"

At 10:35 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 10:38 o'clock a.m., Representative Abercrombie stated:

"I would like to withdraw my question

in the process of its proper yield."

Representative Mizuguchi then stated:

"Mr. Speaker, for the record, because 'chairman' is the properly used term, we would like to note that the revisor make that change from 'chairperson' back to 'chairman'."

Representative Naito then stated:

"I'd just like to say that 'chairman' seems to be the appropriate term for most men. I just want to make that for the record, okay?"

Representative Cobb then rose and stated:

"Since the National Association of Parliamentarians has stated that 'chairman' is the correct usage regardless of sex, and since it is a generic term and applies throughout, and since the chairman of the City Council, Chairman Marilyn Bornhorst, has said that 'chairman' is the only correct use, I think the remarks are in order by the chairman of the Education Committee. Thank you."

Representative Kunimura then rose and stated:

"Yes, Mr. Speaker, we are, right now, in a very serious stage, and I speak for the bill. Some day, Hawaii and the rest of the nation shall call that cover on the side, you know, the place over the sidewalk and along the streets 'personhole' cover. When that day comes, then we are going to be liberated. Otherwise, we shall make our own determination, according to our own pace. Thank you."

Upon being recognized, Representative Evans stated:

"Mr. Speaker, I would love the word 'chairman'. I would be very happy to be a chairman of any committee. Thank you."

Representative Naito then stated:

"Just in reply to the representative from Waialae. The National Association of Parliamentarians is made up vastly of men and it was they who determined that 'chairman' was the appropriate title. If one woman legislator in our State determined, or decided to agree with them, that does not speak for the rest of the women legislators. Thank you."

Representative Poepoe then stated:

"Just for the record, too, I'd like some of these terms such as 'man-eating

sharks' changed eventually."

Representative Suwa then rose and stated:

"Mr. Speaker, I think with this bill, the Senate and the House can get together once and for all to determine the definition of the 'chairperson' and the 'chairman'."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S.B. No. 113, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF EDUCATION", having been read throughout, passed Third Reading by a vote of 47 ayes to 2 noes, with Representatives Ikeda and Kamalii voting no, and Representatives Garcia and Kiyabu being excused.

Stand. Com. Rep. No. 782-78 on S.B. No. 1533-78, SD 1, HD 2 (Deferred from March 23, 1978):

On motion by Representative Stanley, seconded by Representative Uwaine and carried, the report of the Committee was adopted and S.B. No. 1533-78, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO IN-SERVICE TRAINING PROGRAMS", having been read throughout, passed Third Reading by a vote of 49 ayes, with Representatives Garcia and Kiyabu being excused.

Stand. Com. Rep. No. 783-78 on S.B. No. 2279-78, HD 1 (Deferred from March 23, 1978):

On motion by Representative Inaba, seconded by Representative Lunasco and carried, the report of the Committee was adopted and S.B. No. 2279-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FARM LOANS", having been read throughout, passed Third Reading by a vote of 49 ayes, with Representatives Garcia and Kiyabu being excused.

Stand. Com. Rep. No. 784-78 on S.B. No. 2617-78, SD 1, HD 1 (Deferred from March 23, 1978):

On motion by Representative Kawakami, seconded by Representative Caldito and carried, the report of the Committee was adopted and S.B. No. 2617-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ESTABLISHMENT OF A CONSERVATION AND RESOURCES ENFORCEMENT PROGRAM WITHIN THE DEPARTMENT OF LAND AND NATURAL RESOURCES", having been read throughout,

passed Third Reading by a vote of 49 ayes, with Representatives Garcia and Kiyabu being excused.

Stand. Com. Rep. No. 785-78 on S.B. No. 2616-78, HD 1 (Deferred from March 23, 1978):

On motion by Representative Mizuguchi, seconded by Representative Campbell and carried, the report of the Committee was adopted and S.B. No. 2616-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE COMPACT FOR EDUCATION", having been read throughout, passed Third Reading by a vote of 49 ayes, with Representatives Garcia and Kiyabu being excused.

Stand. Com. Rep. No. 786-78 on S.B. No. 1342, HD 2 (Deferred from March 23, 1978):

On motion by Representative Blair, seconded by Representative Yuen and carried, the report of the Committee was adopted and S.B. No. 1342, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF REVENUE BONDS FOR ANTI-POLLUTION PROJECTS", having been read throughout, passed Third Reading by a vote of 48 ayes to 1 no, with Representative Baker voting no, and Representatives Garcia and Kiyabu being excused.

Stand. Com. Rep. No. 787-78 on S.B. No. 1643-78, HD 2 (Deferred from March 23, 1978):

On motion by Representative Segawa, seconded by Representative Shito and carried, the report of the Committee was adopted and S.B. No. 1643-78, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CERTIFIED COPIES OF VITAL RECORDS", having been read throughout, passed Third Reading by a vote of 48 ayes to 1 no, with Representative Sutton voting no, and Representatives Garcia and Kiyabu being excused.

Stand. Com. Rep. No. 790-78 on S.B. No. 2302-78, HD 2 (Deferred from March 23, 1978):

On motion by Representative Suwa, seconded by Representative Lunasco and carried, the report of the Committee was adopted and S.B. No. 2302-78, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BONDS ISSUED BY THE COUNTIES", having been read throughout, passed Third Reading by a vote of 49 ayes, with Representatives Garcia and Kiyabu being excused.

At 10:43 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 10:49 o'clock a.m.

Stand. Com. Rep. No. 799-78 on S.B. No. 1622-78, SD 1, HD 1 (Deferred from March 23, 1978):

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

Stand. Com. Rep. No. 800-78 on S.B. No. 2614-78 (Deferred from March 23, 1978):

On motion by Representative Stanley, seconded by Representative Uwaine and carried, the report of the Committee was adopted and S.B. No. 2614-78, entitled: "A BILL FOR AN ACT RELATING TO THE EXEMPTION OF THE EXECUTIVE SECRETARY OF THE COMMISSION ON POPULATION AND THE HAWAIIAN FUTURE FROM THE PROVISIONS OF CHAPTERS 76 AND 77, HAWAII REVISED STATUTES", having been read throughout, passed Third Reading by a vote of 49 ayes, with Representatives Garcia and Kiyabu being excused.

Stand. Com. Rep. No. 801-78 on S.B. No. 1787-78, SD 1, HD 1 (Deferred from March 23, 1978):

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

Stand. Com. Rep. No. 802-78 on S.B. No. 1627-78 (Deferred from March 23, 1978):

By unanimous consent, action was deferred for one day.

Stand. Com. Rep. No. 803-78 on S.B. No. 2609-78, SD 1, HD 1 (Deferred from March 23, 1978):

Representative Ushijima moved that the report of the Committee be adopted and S.B. No. 2609-78, SD 1, HD 1, having been read throughout, pass Third Reading, seconded by Representative Yuen.

Representative Campbell then rose to speak in favor of the bill, stating:

"The purpose of the bill, as stated in the committee report, is to enable the Department of Social Services and Housing to more effectively administer the medicaid program, particularly in those areas relating to the control

of fraud and abuse. The Department has had some difficulty in obtaining access to providers' records to enable the Department to investigate suspected cases of fraud.

Mr. Speaker, with this bill, the Department should now have the vehicle whereby medicaid monitoring can be accomplished. And, of course, this is long overdue. Therefore, I urge all of my colleagues to vote in favor of this bill.

Thank you."

Representative Abercrombie, speaking in favor of the bill, stated:

"Mr. Speaker, I wish merely to note my pleasure in voting for this bill and urging people to do so inasmuch as this is a culmination of part of the effort that Representative Baker instigated in the House last year. It's a credit to Representative Baker and the committee that it has moved forward in this fashion. The whole State will benefit as a result of his and his committee's actions."

The motion was put by the Chair and carried and the report of the Committee was adopted and S.B. No. 2609-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF SOCIAL SERVICES AND HOUSING", having been read throughout, passed Third Reading by a vote of 48 ayes to 1 no, with Representative Sutton voting no, and Representatives Garcia and Kiyabu being excused.

Stand. Com. Rep. No. 804-78 on S.B. No. 389, SD 1, HD 1 (Deferred from March 23, 1978):

On motion by Representative Shito, seconded by Representative Yuen and carried, the report of the Committee was adopted and S.B. No. 389, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING PLANNING", having been read throughout, passed Third Reading by a vote of 49 ayes, with Representatives Garcia and Kiyabu being excused.

Stand. Com. Rep. No. 805-78 on S.B. No. 1673-78, SD 1 (Deferred from March 23, 1978):

On motion by Representative Ushijima, seconded by Representative Abercrombie and carried, the report of the Committee was adopted and S.B. No. 1673-78, SD 1, entitled: "A BILL FOR AN ACT RELATING TO EXEMPTING ITEMS

PURCHASED FOR RESALE BY THE UNIVERSITY OF HAWAII BOOKSTORES FROM THE REQUIREMENTS OF PUBLIC ADVERTISEMENT FOR SEALED TENDERS", having been read throughout, passed Third Reading by a vote of 48 ayes to 2 noes, with Representatives Ajifu and Narvaes voting no, and Representative Garcia being excused.

At 10:56 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 10:58 o'clock a.m.

Stand. Com. Rep. No. 806-78 on S.B. No. 1811-78, SD 2, HD 2 (Deferred from March 23, 1978):

On motion by Representative Takamura, seconded by Representative Dods and carried, the report of the Committee was adopted and S.B. No. 1811-78, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AN INTER-ISLAND FERRY SYSTEM AND MAKING AN APPROPRIATION THEREFOR", having been read throughout, passed Third Reading by a vote of 45 ayes to 5 noes, with Representatives Abercrombie, Carroll, Kamalii, Medeiros and Poepoe voting no, and Representative Garcia being excused.

Stand. Com. Rep. No. 807-78 on S.B. No. 1690-78, SD 1 (Deferred from March 23, 1978):

On motion by Representative K. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and S.B. No. 1690-78, SD 1, entitled: "A BILL FOR AN ACT RELATING TO USE OF CREDIT CARDS", having been read throughout, passed Third Reading by a vote of 49 ayes to 1 no, with Representative Ajifu voting no, and Representative Garcia being excused.

Stand. Com. Rep. No. 808-78 on S.B. No. 36, SD 1, HD 1 (Deferred from March 23, 1978):

On motion by Representative Stanley, seconded by Representative Uwaine and carried, the report of the Committee was adopted and S.B. No. 36, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INTERGOVERNMENTAL TRANSFER OF EMPLOYEES", having been read throughout, passed

Third Reading by a vote of 50 ayes, with Representative Garcia being excused.

Stand. Com. Rep. No. 809-78 on S.B. No. 1591-78, SD 1, HD 1 (Deferred from March 23, 1978):

On motion by Representative Takamura, seconded by Representative Stanley and carried, the report of the Committee was adopted and S.B. No. 1591-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY EFFICIENT PROCUREMENT PRACTICES", having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative Garcia being excused.

Stand. Com. Rep. No. 810-78 on S.B. No. 1772-78 (Deferred from March 23, 1978):

On motion by Representative Machida, seconded by Representative Ueoka and carried, the report of the Committee was adopted and S.B. No. 1772-78, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF HAWAII", having been read throughout, passed Third Reading by a vote of 49 ayes to 1 no, with Representative Ajifu voting no, and Representative Garcia being excused.

Stand. Com. Rep. No. 811-78 on S.B. No. 2190-78 (Deferred from March 23, 1978):

On motion by Representative Takamura, seconded by Representative Dods and carried, the report of the Committee was adopted and S.B. No. 2190-78, entitled: "A BILL FOR AN ACT RELATING TO FEDERAL-AID HIGHWAYS", having been read throughout, passed Third Reading by a vote of 51 ayes.

Stand. Com. Rep. No. 812-78 on S.B. No. 1752-78, HD 1 (Deferred from March 23, 1978):

Representative Segawa moved that the report of the Committee be adopted and that S.B. No. 1752-78, HD 1, having been read throughout, pass Third Reading, seconded by Representative Shito.

Representative Campbell then rose to speak in favor of the bill, stating:

"Mr. Speaker, according to our committee report, the purpose of this bill is to enable those jurisdictions responsible for the provision of ambulance

services to either continue to provide free service or charge reasonable fees.

Now, the strong position of our committee was that no unit of the State or the County government, in the case of an emergency, shall deny ambulance service to any person unable to pay, or make any inquiry regarding ability to pay, prior to the rendering of ambulance service to the person in need.

Mr. Speaker, my concern is that the Department of Health should indeed be in a position to insure that no person is denied ambulance service because of inability to pay which simply means that hopefully our Department will monitor this situation so that no person, because of this bill, will be charged for ambulance service, although he is not able to pay. So, I urge support of the bill."

Representative Carroll, speaking in favor of the bill, stated:

"Mr. Speaker, the Senate Transportation Committee, several weeks ago, was hearing comments on the proposed site for general aviation airport and a lady from Waimanalo, testifying against Bellows as a proposed site, shortly after she finished her testimony, and this was along about 10:00 o'clock at night, I believe, became overcome with the physical malady and she collapsed and suffered serious, I presume, serious internal disorders in the committee hearing. I happened to be there just as this was going on and I saw this lady being taken from the committee hearing to the ambulance. I also heard a number of Senators, at that time, saying, 'Well, if I was against it before, I'm certainly in favor of it now'. And I think most of us never have the opportunity to experience what it means to be involved in this kind of an emergency and I'm certain that everyone here today is going to vote in favor of this measure. I think this is the kind of a social service that this State certainly should continue to afford its citizens. Thank you."

The motion was put by the Chair and carried and the report of the Committee was adopted and S.B. No. 1752-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FREE EMERGENCY AMBULANCE SERVICE", having been read through-out, passed Third Reading by a vote of 50 ayes to 1 no, with Represen-

tative Evans voting no.

The Chair directed the Clerk to note that S.B. No. 2602-78 had passed Third Reading at 10:30 o'clock a.m.; S.B. No. 2005-78, SD 1, HD 1, at 10:32 o'clock a.m.; S.B. Nos. 113, SD 1, HD 1, and 1533-78, SD 1, HD 2, at 10:40 o'clock a.m.; S.B. Nos. 2279-78, HD 1, and 2617-78, SD 1, HD 1, at 10:41 o'clock a.m.; S.B. Nos. 2616-78, HD 1, 1342, HD 2, and 1643-78, HD 2, at 10:42 o'clock a.m.; S.B. No. 2302-78, HD 2, at 10:43 o'clock a.m.; S.B. No. 2614-78 at 10:50 o'clock a.m.; S.B. Nos. 2609-78, SD 1, HD 1, and 389, SD 1, HD 1, at 10:54 o'clock a.m.; S.B. Nos. 1673-78, SD 1, at 10:58 o'clock a.m.; S.B. Nos. 1811-78, SD 2, HD 2, 1690-78, SD 1, and 36, SD 1, HD 1, at 10:59 o'clock a.m.; S.B. Nos. 1591-78, SD 1, HD 1, and 1772-78 at 11:00 o'clock a.m.; S.B. No. 2190-78 at 11:01 o'clock a.m.; and S.B. No. 1752-78 at 11:05 o'clock a.m.

At 11:05 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 11:12 o'clock a.m.

INTRODUCTION OF RESOLUTION

A resolution (H.R. No. 613) commending the Little League Baseball Program was jointly offered by Representatives Yuen, Ajifu, Aki, Blair, Caldito, Carroll, Garcia, Inaba, Kiyabu, Kondo, Larsen, Lunasco, Machida, Medeiros, Nakamura, Narvaes, Poepoe, Say, Segawa, Shito, Stanley, Takamine, Toguchi, Ueoka, Ushijima, Wwaine and K. Yamada.

On motion by Representative Say, seconded by Representative Yuen and carried, H.R. No. 613 was adopted.

Representative Cobb then rose and stated:

"Mr. Speaker, there are some familiar faces here, and I'd just like to commend the Little League for the job they've done.

I had the honor of serving for five years as the State treasurer and seeing how much of an impact it had on so many boys. I think they're doing a very worthwhile job and it's certainly great that we're commending them today."

Representative Evans followed by saying:

"I would like to correct the previous speaker's statements, that Little League now includes boys and girls.

I wonder if I might have a conflict of interest since I sit on the Board for the Kailua National Little League?"

The Chair decalred "no conflict".

Representative Abercrombie then rose and stated:

"Mr. Speaker, I know that everyone in Little League can be proud, because as the representative just prior to Representative Evans indicated that he was the treasurer of Little League for five years and now he has been able to finance his way into the House of Representatives."

Representative Cobb replied, saying:

"Yes, fortunately I was treasurer after I was elected, not before."

At this time, Representative Say introduced Dr. Creighton Hale, president of Little League, Inc.; Mr. Thomas Boyle, Western Region Director of Little League, Inc.; and Mr. Edward Danzinger, Hawaii State Little League Advisor. They were presented with leis by Representatives Stanley, Naito and Kamalii, respectively, and Representatives Lunasco, Yuen and Say presented them with certified copies of the resolution.

Representative Say also introduced Mrs. Edward Boyle and the following Hawaii District Administrators who were seated in the gallery: Mr. "Iron" Machara, Mr. Alwin Campahnia, Mr. Seiji Murashige, Mrs. Mary Ciacci, Mr. Albert Maria, Jr., and Mr. Louis Souza.

At 11:18 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:22 o'clock a.m., Representative Sutton introduced Abner and Gladys Nunez and Jean Goodnar.

STANDING COMMITTEE REPORTS

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 854-78) recommending that S.B. No. 71, SD 3, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 854-78 on S.B. No. 71, SD 3, HD 2, was deferred until tomorrow, March 29, 1978, and

in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 71, SD 3, HD 2, were made available to the members of the House at 10:15 o'clock a.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 855-78) recommending that S.B. No. 893, SD 2, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and S.B. No. 893, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PILOTAGE", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 856-78) recommending that S.B. No. 2148-78, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and S.B. No. 2148-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CORPORATIONS", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

Representatives Stanley and Garcia, for the Committees on Public Employment and Government Operations and Judiciary, presented a joint report (Stand. Com. Rep. No. 857-78) recommending that S.B. No. 1820-78, SD 2, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Stanley, seconded by Representative Garcia and carried, the report of the Committees was adopted and S.B. No. 1820-78, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STANDARDS OF CONDUCT, INCLUDING DISCLOSURE OF FINANCIAL INTERESTS BY LEGISLATORS AND STATE EMPLOYEES", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

Representative Stanley, for the Committee on Public Employment and Government Operations, presented

a report (Stand. Com. Rep. No. 858-78) recommending that S.B. No. 1654-78, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Stanley, seconded by Representative Yuen and carried, the report of the Committee was adopted and S.B. No. 1654-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VACANCIES IN CIVIL SERVICE POSITIONS", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

The Chair directed the Clerk to note that printed copies of S.B. No. 893, SD 2, HD 1, were made available to the members of the House at 10:15 o'clock a.m., S.B. Nos. 2148-78, HD 1, 1820-78, SD 2, HD 1, and 1654-78, SD 1, HD 1, at 11:00 o'clock a.m.

UNFINISHED BUSINESS

Stand. Com. Rep. No. 813-78 on S.B. No. 2386-78, SD 2, HD 2 (Deferred from March 23, 1978):

Representative Segawa moved that the report of the Committee be adopted and that S.B. No. 2386-78, SD 2, HD 2, having been read throughout, pass Third Reading, seconded by Representative Shito.

Representative Sutton then rose to "speak in favor and show my reservations", stating:

"Mr. Speaker, this is A Bill for an Act Relating to State Comprehensive Emergency Medical Services. The purpose is to establish and maintain a comprehensive statewide medical service system.

Now, we started out with an appropriation by the federal government of about little less than a million dollars. And the big purpose of this bill is to train people for ambulance service, statewide. But, basically speaking, Mr. Speaker, the cost that we examined were very high. With reference to indirect cost, there was a total of \$141,743. The way I looked at it, it should be about \$25,000.

The various positions for executive assistants were upgraded and they were called executive administrators. The project director is very highly paid. Now, we find that there's a very dramatic increase in the lecturer going from \$40,000 to \$77,911. I can't understand why a program to

train sixty people needs to cost almost a million dollars.

The bill that we have before us does not have any dollar amount. I feel that there should be a justification. We're in a year of fiscal restraint and we cannot come and take all of the programs that Uncle Sam used to subsidize and maintain them with the same degree of luxury. Therefore, I would ask everybody here to vote in favor, but that the conference committee keep these reservations in mind.

Thank you."

Representative Evans then rose to "speak in favor of this bill and also with some reservations", stating:

"But, before I do, I would like to comment on the previous speaker's concerns. It seems we always ask for justification of financial cost and implications whenever there's a health care measure that would help people and prevent them from death. I think that sometimes we have to weigh . . . outweigh one over the other. We never seem to ask for justification for other things and we always seem to imply this justification for health care issues, especially emergency care.

Mr. Speaker, I was disappointed that the funds were not included in the bill. After discussing it with the Finance chairman, I realized that this will be discussed in the conference committee. Then, perhaps, the financial plan for EMS will be shown.

Also, I'm wholeheartedly supportive of the statewide comprehensive emergency medical services system being finally organized. I would like to urge that all the counties be included in the system and that we do not omit Honolulu County from being a part of this very vital system.

Despite what testimony from the Honolulu County Medical Director says, there is no way that our statewide system will lessen the quality of Oahu's EMS system if Oahu is included under State purview.

Mr. Speaker, there have been many problems and there are petty politics involved within the Department of Health at the City County level.

This statewide system is long overdue. I can remember back in 1973 we were calling for such a system, and the neighbor islands have been especially hard-pressed because they have had

to do without for so long. A comprehensive system that will assure better emergency care for all citizens, even those who cannot afford to pay the price, is long past due.

Another reservation I have is that certification of emergency ambulance personnel, under this bill, would be provided by the Board of Medical Examiners, which is under the Department of Regulatory Agencies. There have been questions raised as to (1) whether this function should instead be conducted by the Department of Health; (2) whether the Board of Medical Examiners should instead be placed under the Department of Health; and (3) if the Board of Medical Examiners should provide certification, have we assured adequately for increased staffing to give them the physical capability of conducting the certification review process?

As for the State Emergency Services Advisory Committee, I would hope that the final draft approved by this Legislature include representatives of all four counties as well as of the Hawaii Association of Paramedics and perhaps even representatives of other providers of emergency services. In this way, we can continue to anticipate possible changes or improvements that may be necessary in the system, as well as encompass a broader perspective in dealing with emergency medical services for the State of Hawaii.

With regard to training of the Emergency Medical Service technicians, there is no doubt in my mind that the State must take over such instruction.

Let's all get behind this new system. Let's give it all the support we can. Let's work out these 'bugs'

I urge you all to vote in favor of the bill."

Prior to the vote being taken, Representative Evans asked:

"Mr. Speaker, I would just like to ask for a conflict ruling, since I am a registered nurse."

The Chair ruled "no conflict".

The motion was put by the Chair and carried and the report of the Committee was adopted and S.B. No. 2386-78, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE STATE COMPREHENSIVE EMERGENCY MEDICAL SERVICES SYSTEM", having been read throughout passed Third Reading by a vote

of 51 ayes.

Stand. Com. Rep. No. 814-78 on S.B. No. 2559-78, HD 1 (Deferred from March 23, 1978):

On motion by Representative Stanley, seconded by Representative Yuen and carried, the report of the Committee was adopted and S.B. No. 2559-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONSTITUTIONAL CONVENTION", having been read throughout, passed Third Reading by a vote of 51 ayes.

Stand. Com. Rep. No. 815-78 on S.B. No. 1581-78, SD 1, HD 2 (Deferred from March 23, 1978):

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

Stand. Com. Rep. No. 816-78 on S.B. No. 2114-78, HD 1 (Deferred from March 23, 1978):

Representative Mizuguchi moved that the report of the Committee be adopted and that S.B. No. 2114-78, HD 1, having been read throughout, pass Third Reading, seconded by Representative Stanley.

At 11:32 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:34 o'clock a.m., Representative Abercrombie rose to speak in favor of the bill, stating:

"Mr. Speaker, I'd like to speak in favor of this bill, with a reservation, which I'm hoping will be dealt with in conference.

Mr. Speaker, if you'll refer back to the original standing committee report, 744, on page 2 it says, 'ensure that the DOE devote at least 25 full-time positions for this pilot project.' I would like to see that number expanded considerably.

I think if we commit ourselves into this, we know where we're going and there should be a vast, a much greater number of people involved in it so that we can get the real effects of this. I think this is probably one of the most important bills that we'll be passing.

Then, in reference to number 6, the amendments that we made there, in respect of employee benefits, I also think that there we indicate that

employee benefits equal to one-half of the employee benefits they would be entitled to if their positions were full-time permanent positions. I think we have to take up immediately the implications of benefits. I believe that the half-time or job sharing idea can work and work well and be an attractive proposition if we pay particular attention to the benefit side, especially in respect of hospitalization. I don't think that we should go into it unless we are prepared, legislatively, to recognize that all too real factor. If we do so, I believe that this program can be one of the most progressive and far-reaching in terms of job-producing, adequate income-producing, and adequate protection as well as serving the public interest, not only in the DOE, but perhaps other areas of the public sector.

Thank you."

The motion was put by the Chair and carried and the report of the Committee was adopted and S.B. No. 2114-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO A JOB SHARING PILOT PROJECT IN THE DEPARTMENT OF EDUCATION", having been read throughout, passed Third Reading by a vote of 51 ayes.

Stand. Com. Rep. No. 817-78 on S.B. No. 782, SD 1, HD 1 (Deferred from March 23, 1978):

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

The Chair directed the Clerk to note that S.B. Nos. 2386-78, SD 2, HD 2, and 2559-78, HD 1, had passed Third Reading at 11:32 o'clock a.m.; and S.B. No. 2114-78, HD 1, at 11:36 o'clock a.m.

STANDING COMMITTEE REPORTS

Representative Shito, for the Committee on Housing, presented a report (Stand. Com. Rep. No. 818-78) recommending that S.B. No. 1950-78, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Shito, seconded by Representative Takamura and carried, the report of the Committee was adopted and S.B. No. 1950-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY", passed Second Reading and was placed on the calendar for Third Reading

tomorrow, March 29, 1978.

Representative Garcia, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 819-78) recommending that S.B. No. 1855-78, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Garcia, seconded by Representative K. Yamada and carried, the report of the Committee was adopted and S.B. No. 1855-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SENTENCING", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978, with Representatives Abercrombie and Stanley voting no.

Representative Garcia, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 820-78) recommending that S.B. No. 2595-78, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

At 11:37 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 11:45 o'clock a.m.

On motion by Representative Garcia, seconded by Representative K. Yamada and carried, the report of the Committee was adopted and S.B. No. 2595-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO OBSTRUCTION OF JUSTICE", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978, with Representatives Abercrombie, Cobb and Sutton voting no.

Representative Garcia, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 821-78) recommending that S.B. No. 1691-78, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Garcia moved that notwithstanding the report of the Committee that S.B. No. 1691-78, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading, that Stand. Com. Rep. No. 821-78 on S.B. No. 1691-78, HD 1, be recommitted to the Committee on Judiciary.

Representative K. Yamada seconded the motion.

Representative Garcia explained the motion for recommittal, stating:

"Mr. Speaker, the reason for the recommittal is this is a Senate Bill, but apparently we made a mistake by having it printed as a House Bill rather than a Senate Bill. So, we are going to recommit this bill and come up with another version in another hour."

The motion was put by the Chair and carried and Stand. Com. Rep. No. 821-78 and S.B. No. 1691-78, HD 1, were recommitted to the Committee on Judiciary.

Representative Garcia, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 822-78) recommending that S.B. No. 1801-78, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Garcia, seconded by Representative K. Yamada and carried, the report of the Committee was adopted and S.B. No. 1801-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PHYSICIAN-PATIENT PRIVILEGE", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978, with Representative Sutton voting no.

Representative Blair, for the Committee on Ecology and Environment, presented a report (Stand. Com. Rep. No. 823-78) recommending that S.B. No. 320, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Blair, seconded by Representative Larsen and carried, the report of the Committee was adopted and S.B. No. 320, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LIMITATION OF ACTIONS", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

Representative Blair, for the Committee on Ecology and Environment, presented a report (Stand. Com. Rep. No. 824-78) recommending that S.B. No. 2436-78, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Blair,

seconded by Representative Larsen and carried, the report of the Committee was adopted and S.B. No. 2436-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LITTER CONTROL", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978, with Representatives Abercrombie, Naito, Narvaes and Sutton voting no.

Representative Blair, for the Committee on Ecology and Environment, presented a report (Stand. Com. Rep. No. 825-78) recommending that S.B. No. 2464-78, SD 2, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Blair, seconded by Representative Larsen and carried, the report of the Committee was adopted and S.B. No. 2464-78, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NOISE POLLUTION", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

Representatives D. Yamada and Segawa, for the Committees on Consumer Protection and Commerce and Health, presented a joint report (Stand. Com. Rep. No. 826-78) recommending that S.B. No. 2220-78 pass Second Reading and be placed on the calendar for Third Reading.

Representative D. Yamada moved that the report of the Committees be adopted and that S.B. No. 2220-78 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Segawa.

Representative Abercrombie asked:

"This is number 826, is it not?"

The Chair replied: "Correct."

Representative Abercrombie then asked:

"Mr. Speaker, would the chairman yield to a question?"

At 11:50 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:55 o'clock a.m., Representative Abercrombie stated:

"I would like to withdraw my request for a question and await the caucus."

The motion was put by the Chair and carried and the report of the Committees

was adopted and S.B. No. 2220-78, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF HEALTH", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

Representatives D. Yamada and Garcia, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 827-78) recommending that S.B. No. 518, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative D. Yamada, seconded by Representative K. Yamada and carried, the report of the Committees was adopted and S.B. No. 518, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND TRUSTS", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978, with Representative Sutton voting no.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 828-78) recommending that S.B. No. 1598-78, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and S.B. No. 1598-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE BANNING OF PILOT LIGHTS ON GAS APPLIANCES", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 829-78) recommending that S.B. No. 271, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and S.B. No. 271, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO OCCUPATIONAL THERAPY", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

Representative D. Yamada, for the

Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 830-78) recommending that S.B. No. 2581-78, SD 2, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and S.B. No. 2581-78, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HORIZONTAL PROPERTY REGIMES", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 831-78) recommending that S.B. No. 2480-78, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

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

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 832-78) recommending that S.B. No. 2332-78, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and S.B. No. 2332-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EXPENDITURE OF PUBLIC MONEY AND PUBLIC CONTRACTS", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 833-78) recommending that S.B. No. 2490-78 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and S.B. No. 2490-78, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 834-78) recommending that S.B. No. 2476-78, SD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and S.B. No. 2476-78, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE IMPORTATION OF BEER FOR PRIVATE CONSUMPTION", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978, with Representatives Abercrombie and Sutton voting no.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 835-78) recommending that S.B. No. 2154-78, SD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and S.B. No. 2154-78, SD 1, entitled: "A BILL FOR AN ACT RELATING TO COSMETOLOGY", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 836-78) recommending that S.B. No. 1931-78 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and S.B. No. 1931-78, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR LICENSES", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 837-78) recommending that S.B. No. 1894-78 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and S.B. No. 1894-78, entitled: "A BILL FOR AN

ACT RELATING TO THE HAWAII MEAT INSPECTION ACT", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978, with Representative Sutton voting no.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 838-78) recommending that S.B. No. 1663-78 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and S.B. No. 1663-78, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII INSURANCE LAW", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 839-78) recommending that S.B. No. 1662-78 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and S.B. No. 1662-78, entitled: "A BILL FOR AN ACT RELATING TO VETERINARY EXAMINATIONS", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 840-78) recommending that S.B. No. 1659-78 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and S.B. No. 1659-78, entitled: "A BILL FOR AN ACT RELATING TO COLLECTION AGENCIES", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

The Chair directed the Clerk to note that printed copies of S.B. Nos. 1950-78, SD 1, HD 1; 1855-78, SD 1, HD 1; 2595-78, SD 1, HD 1; 1801-78, SD 1, HD 1; 320, HD 1; 2436-78, HD 1; 2464-78, SD 2, HD 1; 2220-78; 518, HD 1; 1598-78, SD 1, HD 1; 271, SD 1, HD 1; 2581-78, SD 2, HD 1; 2480-78, SD 1, HD 1; 2332-78, SD 1, HD 1; 2490-

78; 2476-78, SD 1; 2154-78, SD 1; 1931-78; 1894-78; 1663-78; 1662-78; and 1659-78 were made available to the members of the House at 10:00 o'clock a.m.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 841-78) recommending that S.B. No. 1660-78, SD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 841-78 on S.B. No. 1660-78, SD 1, was deferred until tomorrow, March 29, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 1660-78, SD 1, were made available to the members of the House at 10:00 o'clock a.m.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 842-78) recommending that S.B. No. 2523-78, SD 2, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 842-78 on S.B. No. 2523-78, SD 2, HD 2, was deferred until tomorrow, March 29, 1978, and in accordance with Article III, Section 16, of the Constitution of the State of Hawaii, printed copies of S.B. No. 2523-78, SD 2, HD 2, were made available to the members of the House at 10:00 o'clock a.m.

Representative Suwa, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 843-78) recommending that S.B. No. 1597-78, SD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Peters, seconded by Representative Lunasco and carried, the report of the Committee was adopted and S.B. No. 1597-78, SD 1, entitled: "A BILL FOR AN ACT RELATING TO TAX INCENTIVES FOR ENERGY CONSERVATION", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

The Chair directed the Clerk to note that printed copies of S.B. No. 1597-78, SD 1, were made available to the members of the House at 10:00 o'clock a.m.

Representative Naito, for the Committee on Corrections and Rehabilitation, presented a report (Stand. Com. Rep. No. 844-78) recommending that H.R. No. 419, as amended in HD 1, be

referred to the Committee on Finance.

On motion by Representative Naito, seconded by Representative Ueoka and carried, the report of the Committee was adopted and H.R. No. 419, HD 1, entitled: "HOUSE RESOLUTION REQUESTING A STUDY ON THE ESTABLISHMENT OF PRIVATE INDUSTRIES WITHIN CORRECTIONAL FACILITIES TO AID IN THE VOCATIONAL TRAINING AND REHABILITATION OF INMATES", was referred to the Committee on Finance.

Representative Naito, for the Committee on Corrections and Rehabilitation, presented a report (Stand. Com. Rep. No. 845-78) recommending that H.R. No. 431 be referred to the Committee on Health.

On motion by Representative Naito, seconded by Representative Ueoka and carried, the report of the Committee was adopted and H.R. No. 431, entitled: "HOUSE RESOLUTION RELATING TO THE CARE OF INMATES", was referred to the Committee on Health.

Representatives D. Yamada and Ushijima, for the Committees on Consumer Protection and Commerce and Public Assistance and Human Services, presented a joint report (Stand. Com. Rep. No. 846-78) recommending that H.R. No. 421, as amended in HD 1, be referred to the Committee on Finance.

Representative D. Yamada moved that the report of the Committees be adopted and that H.R. No. 421, HD 1, be referred to the Committee on Finance, seconded by Representative Ushijima.

Representative Campbell, speaking in favor of the resolution, stated:

"Mr. Speaker, I rise to speak in favor of both of these resolutions. They seem to be identical. That's House Resolution No. 421, HD 1, and House Concurrent Resolution No. 86, HD 1. The purpose of these resolutions is to request the legislative auditor to conduct the feasibility study of the State self-insuring its public assistance drivers under the Hawaii Motor Vehicle Accident Reparations Law.

I support the purpose and the intent of these resolutions, Mr. Speaker. The only reservation I have about the resolutions is the fact that they don't go far enough. They do attempt to address the problem of free auto coverage for welfare recipients, but they don't attempt to deal with the mammoth problem of rising auto insurance rates.

Mr. Speaker, many weeks ago I introduced House Bill No. 2275-78, which was designed to cope with this problem of rising auto insurance rates. This bill would have reinstated August 31, 1978 as the end of the open rating period and not August, 1983, which the present law provides. In other words, Mr. Speaker, after August 31st, 1978, auto insurance companies could no longer set their own auto insurance rates. Such insurance rates would be set by the State, thereby giving auto owners some deserved relief. But, Mr. Speaker, this bill is resting peacefully in committee.

Mr. Speaker, this session of the Legislature is making it very difficult for any car owner to operate his or her vehicle without auto insurance. And, in my judgment, that's the way it ought to be.

But, Mr. Speaker, I have grave reservations about the Legislature mandating auto insurance from private carriers on the part of car owners, and then, not taking the responsibility of setting the auto insurance rates, thereby insuring that the car owning public will not be ripped off.

Mr. Speaker, when this bill goes to the Finance Committee, it is my hope that it can be amended. Excuse me, when this resolution goes to the Finance Committee, it's my hope that it can be amended so as to broaden the scope of the legislative order to his investigation to include the feasibility of authorizing the insurance commissioner to set auto insurance rates. It's my hope that the language of these resolutions give the legislative auditor the responsibility to look into the high costs of insurance rates"

Representative D. Yamada, on a point of order, stated:

"Mr. Speaker, I think the subject matter, which the speaker's talking about, is embedded in a separate bill. There is no relevance to the resolutions before us."

The Chair then stated:

"Point well taken. Representative Campbell, could you stick to the subject at hand . . . the resolution that's before us this morning."

Representative Campbell then stated:

"Well, Mr. Speaker, I certainly felt that my addressing a problem that relates to the high cost of auto insurance is relevant to these two resolutions.

But if your ruling is to the contrary, let me simply close, then, by saying that's my hope that the legislative auditor will certainly consider the problem that car owners have relative high insurance rates.

On the basis of that, I urge my colleagues to support the resolutions.

Thank you."

Representative D. Yamada then rose to speak in favor of the resolutions, stating:

"I'd like to speak in favor of the resolutions, especially now, since the prior speaker has made mention of it. The bill he talked about was heard, I think, several weeks ago in the Consumer Protection and Commerce Committee, and the testimonies were all against it, which included the Office of the Insurance Commissioner; therefore, that's why it died peacefully."

The motion was put by the Chair and the report of the Committees was adopted and H.R. No. 421, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE LEGISLATIVE AUDITOR TO CONDUCT A STUDY ON HAVING THE STATE ACT AS A 'SELF-INSURER' FOR PUBLIC ASSISTANCE DRIVERS UNDER THE NO-FAULT LAW", was referred to the Committee on Finance.

Representatives D. Yamada and Ushijima, for the Committees on Consumer Protection and Commerce and Public Assistance and Human Services, presented a joint report (Stand. Com. Rep. No. 847-78) recommending that H.C.R. No. 86, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative D. Yamada, seconded by Representative Ushijima and carried, the report of the Committees was adopted and H.C.R. No. 86, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE AUDITOR TO CONDUCT A STUDY ON HAVING THE STATE ACT AS A 'SELF-INSURER' FOR PUBLIC ASSISTANCE DRIVERS UNDER THE NO-FAULT LAW", was referred to the Committee on Finance.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 848-78) recommending that H.R. No. 66 be referred to the Committee on Legislative Management.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and H.R. No. 66, entitled: "HOUSE RESOLUTION REQUESTING THE

LEGISLATIVE AUDITOR TO CONDUCT AN AUDIT OF THE REAL ESTATE COMMISSION", was referred to the Committee on Legislative Management.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 849-78) recommending that H.R. No. 269 be referred to the Committee on Finance.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and H.R. No. 269, entitled: "HOUSE RESOLUTION REQUESTING HAWAII'S CONGRESSIONAL DELEGATION AND THE FEDERAL INTERNAL REVENUE SERVICE TO WORK FOR THE IMMEDIATE REPEAL OF THE FEDERAL EXCISE TAX ON TELEPHONE SERVICE", was referred to the Committee on Finance.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 850-78) recommending that H.C.R. No. 53 be referred to the Committee on Finance.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and H.C.R. No. 53, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE AUDITOR TO REVIEW AND RECOMMEND CHANGES TO CHAPTER 269, HAWAII REVISED STATUTES, PUBLIC UTILITIES COMMISSION", was referred to the Committee on Finance.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 851-78) recommending that H.C.R. No. 81 be referred to the Committee on Finance.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and H.C.R. No. 81, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A STUDY ON ELECTRONIC FUND TRANSFERS" was referred to the Committee on Finance.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 852-78) recommending that H.R. No. 379 be referred to the Committee on Finance.

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, the report of the Committee was adopted and H.R. No.

379, entitled: "HOUSE RESOLUTION REQUESTING A STUDY ON ELECTRONIC FUND TRANSFERS", was referred to the Committee on Finance.

Representative Naito, for the Committee on Corrections and Rehabilitation, presented a report (Stand. Com. Rep. No. 853-78) recommending that H.C.R. No. 101 be referred to the Committee on Higher Education.

On motion by Representative Naito, seconded by Representative Ueoka and carried, the report of the Committee was adopted and H.C.R. No. 101, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A REVIEW OF THE HAWAII CORRECTIONAL MASTER PLAN", was referred to the Committee on Higher Education, with Representative Abercrombie voting no.

INTRODUCTION OF RESOLUTIONS

The following resolutions (H.R. Nos. 614 to 616) were read by the Clerk and were disposed of as follows:

A resolution (H.R. No. 614) congratulating Emil Dacayanan, Michael K. Kai, Claren Kealoha and Brent Kitsutani upon being named winners in the "Life is Worth Seeing" Contest was jointly offered by Representatives Takamine, Ajifu, Aki, Blair, Caldito, Campbell, Carroll, Cayetano, Cobb, Dods, Evans, Garcia, Ikeda, Inaba, Kamalii, Kawakami, Kihano, Kiyabu, Kondo, Kunimura, Larsen, Lunasco, Machida, Medeiros, Mina, Mizuguchi, Morioka, Naito, Nakamura, Narvaes, Peters, Poepoe, Say, Segawa, Shito, Stanley, Sutton, Suwa, Takamura, Toguchi, Uechi, Ueoka, Ushijima, Uwaine, D. Yamada, K. Yamada, Yuen and Wakatsuki.

On motion by Representative Takamine, seconded by Representative Segawa and carried, H.R. No. 614 was adopted.

A resolution (H.R. No. 615) honoring the birthday of the Buddha, celebrated as Wesak Day or Hanamatsuri was jointly offered by Representatives Wakatsuki, Ajifu, Caldito, Dods, Inaba, Kihano, Kondo, Machida, Morioka, Naito, Narvaes, Segawa, Shito, Stanley, Sutton, Suwa and Takamine.

On motion by Representative Suwa, seconded by Representative Kondo and carried, H.R. No. 615 was adopted.

A resolution (H.R. No. 616) extending congratulations to Radford Fujioka for his achievement in the 1977 Fifth Annual Marathon was jointly offered

by Representatives Evans, Ajifu, Aki, Carroll, Cayetano, Cobb, Dods, Ikeda, Inaba, Kamalii, Kawakami, Kihano, Kiyabu, Larsen, Lunasco, Medeiros, Mina, Morioka, Naito, Narvaes, Poepoe, Say, Shito, Sutton, Takamine, Takamura, Toguchi, Ueoka, K. Yamada and Yuen.

On motion by Representative Evans, seconded by Representative Ajifu and carried, H.R. No. 616 was adopted.

THIRD READING

The following bills, which were on the calendar for Third Reading, were read throughout and the following actions taken:

S.B. No. 2567-78, SD 1, HD 1:

Representative Takamine moved that S.B. No. 2567-78, SD 1, HD 1, having been read throughout, pass Third Reading, seconded by Representative Peters.

Representative Abercrombie then rose to speak in favor of the bill, stating:

"Mr. Speaker, I speak in favor of this bill inasmuch as it reflects the philosophy of the bill that I introduced. I'm always happy to see the Senate show good sense and do the things that members of the House would like it to do. It's too bad it didn't do it as well as it should have.

I applaud this bill as a step to return our unemployment insurance financing to an experience rating system in which employers who lay off large numbers of workers under the unemployment roles, pay higher contribution rates to the unemployment fund, and employers with more stable employment practices, pay lower rates.

I also endorse the bill's adoption of the reserve ratio approach to the rate consumption formula as being more equitable and stabilizing than the benefit ratio approach. In addition, the House amendment setting the minimum contribution rate at 0.2 percent as opposed to the 0 percent in the Senate draft is a reasonable and fair change.

However, I take, and have taken in the past, vigorous exception to the amendment which lowers the maximum rate paid by employers

from 5.0 percent in the Senate draft, to 4.5 percent in the House draft. The adoption of the 4.5 percent ceiling would have the effect of putting approximately 40% of the employers in Hawaii, covered by the provisions of the Employment Security Act, at the top of the rate schedule. The 22% of our employers, who have been in business too short a time to establish an experience rating record, are placed automatically in the schedule's maximum slot - Figure 5, on page 47 of the Legislative Reference Bureau's Hawaii Unemployment Insurance Benefit Financing System. A review of the two proposals, 1978, shows that under the proposal, a five percent maximum 17.62 percent of our employers would, by virtue of their track records, be assessed at rates of 4.5 percent or more when that scale is extricated, in addition of the 0.2 percent to each basic contribution rate. This high proportion of employers in the maximum rate slot indicates that something is wrong with the rate schedule in this bill. Specifically, it suggests that too many employers are getting a free ride on the rubric of 'socialized costs', the concept of which holds that a certain degree of the costs of the unemployment insurance system must be borne in common by all employers. While the idea is basically sound, the 4.5 percent maximum puts too many employers on the backs of their colleagues. 'Socialized costs' were meant to cover the payment of benefits not chargeable to specific employers and to bear costs which, if borne by individual employers, would make it impossible for significant numbers of them to remain in business. It was not meant to take the sting out of a bad employment record, under an experienced rating system, by spreading it out among those employers with good records. This really disappoints me.

The Senate's committee report on this bill, page 3, states: 'The socialized costs, however, should not be such a very big amount that it would render meaningless the experience rating system as a basis for allocating costs. So while some costs must be socialized, some consideration in the form of lower taxes should be given to low cost employers (i.e., employers with good experience).'

By lowering the ceiling of the maximum rate, we are increasing the socialized cost to the point where we are seriously diluting the philosophical basis of the experience rating system. Equitable distribution of the financial burden, according to the drain on the fund for which the individual employer is responsible, and I want to repeat that, should be

the philosophical basis of the experienced rating system - equitable distribution. Not only are the concepts of inequity and individual responsibility attacked by this amendment, but we are jeopardizing the chances of achieving another major goal in the experience rating system. To what employment stability and security the Senate committee report on the bill, page 4, states that employment stability, by reference, 'is one of the objectives of the Unemployment Insurance Program. If employers perceive that their unemployment insurance tax rates would rise with the frequency of lay-offs, they would be encouraged to practice a more stable employment policy. Fundamentally, the financing system would provide an incentive for employers if the system provided sufficient differences in premium rates between good experience and bad experience employers'. By lowering the maximum rate from 5.0% to 4.5%, we are squeezing the differences between individual employer's contribution rates into a narrower range. And by thus reducing that range, we reduce the incentive for employers to adhere to stable employment practices.

My objections to lowering the maximum contribution rate hinges on my conviction that this reduction hampers the ability of the bill to achieve two of its primary objectives - equity for employers and employment stability for our labor force. It is for this reason that, despite the fact that the bill achieves the long overdue return to the experience rating system, I must sign the committee report for Senate Bill No. 2567, SD 1, HD 1, with reservations.

I sent that out to the chairman of the House Committee on Employment Opportunities and Labor Relations in respect of the bill which is titled, after all, relating to employment security. I take this employment security to mean security for both the employer and the employee.

With those reservations in mind, I believe the fact that we have made this move now, to an experience rating circumstance, will enable us to establish a firm ground upon which to make improvements in the future. Therefore, I would ask everyone to vote 'yes'."

Speaking in favor of the bill, Representative Takamine stated:

"The purpose of this bill is to amend provisions of the Hawaii Employment Security Law, to strengthen the solvency of the trust fund and to provide a more equitable unemployment insurance

taxing system.

Mr. Speaker, the passage of this bill will restore the experience rating for our employers who contribute the total cost of our Unemployment Insurance Program.

Mr. Speaker, both the House and Senate standing committee reports relating to this bill include detailed explanations; therefore, my remarks will be brief.

With your permission, I would like to have the Senate Standing Committee Report No. 371-78 to be included with the House Committee Report No. 788-78 and two exhibits from the Department of Labor and Industrial Relations inserted into the Journal. The exhibits are: (1) Distribution of Employers By Proposed Reserve-Ratio Groups and Major Industry Groups (as of 1976) and (2) The Effects of Senate Bill No. 2567-78, SD 1, HD 1. They show that this bill will provide a sound and equitable unemployment insurance financing system.

Mr. Speaker, the measure we are about to pass is the result of many heated discussions and debates within our business communities and by organizations concerned with the solvency of the Unemployment Insurance Trust Fund. The discussions also include the study made by our Legislative Reference Bureau entitled: HAWAII UNEMPLOYMENT INSURANCE BENEFIT FINANCING SYSTEM: A REVIEW OF TWO PROPOSALS.

The Senate standing committee report summarizes that report and its recommendations.

Mr. Speaker, your Committee on Employment Opportunities and Labor Relations concurs with the Senate and the Bureau that the modified reserve-ratio system recommended by the Department of Labor and Industrial Relations is the better plan for Hawaii. Thirty-two states have the reserve-ratio system and ten states have the benefit-ratio system. One-third of the states with reserve-ratio system and two-thirds of the states with benefit-ratio system had similar solvency problems like Hawaii.

Mr. Speaker, I would like to emphasize that this bill is not for or against any one group or groups of employers. The Department of Labor and Industrial Relations testified that 36% of our employers have negative or ineligible experience rating and they represent every category of our business community. This data is represented in one of the exhibits to be inserted in the Journal.

This is a very good bill, Mr. Speaker.

The Department of Labor and Industrial Relations was commended for developing the modified reserve-ratio system by the experts in the U.S. Department of Labor and Father Becker, a leading authority in the field of unemployment benefit compensation.

In closing, Mr. Speaker, your chairman and vice chairman have met with our counterparts in the Senate. We are confident that the amendments made to this measure by your Committee will be acceptable to the Senate.

I would like to thank the members of my Committee for sitting through many days of hearings on this complex matter, beginning in December of last year. Senate Bill No. 2567-78, Senate Draft 1, House Draft 1, is a good, sound and equitable unemployment benefits financing bill. I urge all members of the House to vote for its passage.

Thank you."

As requested, the following are inserted into the Journal:

"Senate Standing Committee Report No. 371-78, February 24, 1978 (S.B. No. 2567-78):

Your Committee on Human Resources to which was referred S.B. No. 2567-78 entitled:

"A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY", begs leave to report as follows:

The purpose of this bill is to amend the State's current unemployment insurance trust fund financing system to strengthen the solvency of the fund and to provide a more sound and equitable taxing system.

Your Committee finds that the current Unemployment Insurance (UI) financing system is no longer able to insure the solvency of the trust fund during prolonged periods of high unemployment and that alternative means of financing the fund must be sought. In seeking a more effective financing system, your Committee reviewed two alternative proposals for a new financing system . . . one based on a modification of the current reserve ratio system as recommended by the department of labor and industrial relations and a second proposal, the benefit ratio system as recommended by economist Dr. Thomas Hitch.

Based on the review, your Committee

found that the reserve ratio financing system as reflected in S.B. No. 2567-78 would be more effective than the benefit ratio proposal in meeting the needs and objectives of the State's UI program. Before reaching this decision, your Committee reviewed the legislative reference bureau's study of the two financing proposals entitled HAWAII UNEMPLOYMENT INSURANCE BENEFIT FINANCING SYSTEM: A REVIEW OF TWO PROPOSALS and considered testimonies relating to both proposals. Your Committee's major findings and conclusions are summarized below.

DESCRIPTION OF THE ALTERNATE PROPOSALS

The financing concepts of the alternate proposals are vastly different. The department's revised reserve ratio system is a 'forward looking' system which is designed to accumulate reserves against future liabilities. In determining an employer's tax rate this system considers the employer's total history of both contribution and benefits charged to the employer's account. An employer's total tax rate under this system is the sum of the employer's basic contribution rate (which varies according to the amount of an employer's reserve) and a fund factor (a flat surcharge to adjust the level of the fund). The maximum tax rate under this system is 5 per cent.

The benefit ratio system is a replenishment or pay-as-you-go type of financing system, which is designed to recover all benefits paid out of the trust fund in the following year. Because of the replenishment nature of this system, a smaller trust fund reserve is required as compared to the reserve ratio system.

Under this system, an employer's total contribution rate, would be the sum of three separate tax components, subject to a maximum of 5 per cent. The tax components include an experience factor (which is based on an employer's most recent 3 years experience), a socialized factor (which is designed to cover benefits paid out of the fund in the prior year that is not effectively financed by the experience factor) and a fund factor which is designed to adjust the trust fund balance. In addition, the benefit ratio proposal has a surtax, included as part of the experience factor under the benefit ratio proposal, only the most recent 3 years experience of an employer (i.e., the benefits charged to but not the contribution made by an employer) is considered. This system is therefore geared to the employer's short-term experience and the contributions and

benefits charged to the employer's account prior to the 3 years under consideration are not included in the determination of an employer's experience factor. This is the so called 'forgiveness' provision in the benefit ratio proposal.

A SUMMARY OF THE COMPARISON OF THE ALTERNATIVE PROPOSALS

Your Committee reviewed the alternate proposals with respect to various criteria as follows:

Solvency

The proposed systems were examined to determine the adequacy of the alternative proposals in maintaining the solvency of the trust fund. Two separate analyses were reviewed. The first involved the application of the proposed systems to the period between 1970 and 1977 when the UI trust fund started its downward spiral to a completely depleted level in 1976. This was done to determine whether or not the proposed systems would have prevented the bankruptcy of the fund had they been in operation during this period. The results of this analysis indicated that both systems would have adequately financed and prevented the depletion of the trust fund had they been in operation during this period. A second review involved the application of the proposed financing systems under various unemployment rate scenarios in the future. Three different unemployment scenarios were projected including one based on relatively low flat unemployment rate of 4 per cent; another on a higher flat rate of 5 per cent; and a third projection based on variable unemployment rates, including a very high rate of 6.4 per cent in 1980 one year after the proposed implementation of the alternate proposals. The results again indicated that both systems will be able to adequately finance the UI program in the future under the various economic conditions tested.

Equity

Your Committee also reviewed the manner in which costs are allocated to the employers under both proposals. Most UI financing systems utilize the experience rating system as a basis for allocating costs. The practice of setting maximum rates, however, limits the degree of experience rating. Benefits paid to former employees of employers in excess of their contributions must therefore be covered by the contributions of other employers. As a result, the UI financing system must involve some socialization costs. The socialized costs, however, should

not be such a very big amount that it would render meaningless the experience rating system as a basis for allocating costs. So while some costs must be socialized, some consideration in the form of lower taxes should be given to low cost employers (i.e., employers with good experience).

In comparing the proposed systems in regards to the equity in allocation of costs, your Committee reviewed the results of the projected assessment of taxes to employers by applying the proposed financing systems to actual 1976 UI program data. The results indicate that the reserve ratio system allocates socialized costs in a more equitable manner since most employers would be paying their basic contribution rate and their full share of socialized cost. This is not so under the benefit ratio system, particularly during adverse economic conditions. Only the relatively good experience employers would pay their full share of the socialized and fund factor costs. Other employers would not pay the full surcharge because they would have reached their 5 per cent maximum tax rate before the full surcharge had been added. This in essence shifts the burden of the surcharges to employers with relatively good experience.

Employment Stability Incentives

A review was conducted on the employment stability incentives provided by the alternative proposals. This is one of the objectives of the UI program. If employers perceive that their UI tax rates would rise with the frequency of lay-offs, they would be encouraged to practice a more stable employment policy. Fundamentally, the financing system would provide an incentive for employers if the system provided sufficient differences in premium rates between good experience and bad experience employers. Your Committee found that the reserve ratio proposal provides greater incentives than the benefit ratio proposal when the proposals were applied to actual 1976 program data. The reserve ratio provided a wider spread of contribution rates between the lowest and highest rates (2.6 per cent vs. 1.7 per cent) and in addition affected a larger number of employers by the spread than under the benefit ratio system (86 per cent vs. 49 per cent).

Your Committee noted, however, that conceptually the benefit ratio proposal may also offer employment stability incentives to employers in another way. Because of the forgiveness

provision which discounts experience longer than the most recent 3 years, incentives may be provided poor experience employers to improve and for good employers to maintain stable employment.

Sensitivity and Countercyclical Effect

Your Committee reviewed both proposals with respect to (1) the sensitivity of the financing proposals to respond to changes in the economic conditions and (2) the countercyclical effect of the financing systems. By countercyclical effect is meant a system which allows the UI trust fund to increase in level during periods of prosperity to assure the payment of benefits in years when benefit costs exceed tax collections, thus negating the necessity of drastically increasing the tax burden on employers during periods of economic distress.

Your Committee's review on this measure revealed that the benefit ratio financing structure by design is more flexible and sensitive to changes in the economic conditions. This is due to the pay-as-you-go nature of this financing system which must respond rapidly to benefits paid out of the trust fund. However, due to the sensitivity of the system, the benefit ratio system is not generally countercyclical in economic impact. The system tends to increase the tax rates quite drastically during economic downturns when most employers could least afford them, and tends to quickly reduce the tax rates in years of near full employment. Conversely the reserve ratio system, while lacking the sensitivity and flexibility of the benefit ratio proposal, appears to act in a more countercyclical manner. Thus, relatively higher taxes are assessed for longer periods during prosperous times to build a large trust fund balance to meet liabilities during downturns in the economy. This precludes the need to drastically increase employer taxes during a period when employers could ill afford them.

Long-Term vs. Short-Term Experience

Your Committee also reviewed the issue of time frame in measuring employer experience. Under the benefit ratio proposal an employer's experience, and therefore the tax imposed, is based on the short-term experience of the employer and takes into account only the benefits (but not the contributions) charged to the employer's account during the most recent 3-year period. All experience prior to the 3-year period under consideration, whether

good or bad, will not be considered. As a result, an employer's adverse unemployment experience will be quickly reflected in the employer's contribution rate under this system. This will compound problems for such employers during prolonged economic downturns since the unemployment contribution tax assessed will substantially increase before such employers may have a chance to recover from their bad economic experience. Conversely under this system, in years of full or near full employment, when such employer's tax requirements are most easily met, the UI tax rates would be at their lowest level.

The reserve ratio system, on the other hand, considers the employer's total history of both contributions and benefits charged to the employer's account in determining the employer's tax rate. This permits an employer to build up reserves during good periods to pay benefits during adverse economic periods without significantly increasing the employer's UI tax. As a result the reserve ratio system has a countercyclical effect as opposed to the benefit ratio system which tends to significantly increase taxes for these employers during economic downturns.

Your Committee further finds that the short-time frame utilized under the benefit ratio proposal to determine experience will in effect minimize experience rating and tend to group all tax rates near the maximum particularly during an economic recovery period. Many employers will not be paying their full costs during this period because of the 5 per cent maximum tax limitation. Due to the 3-year limitation on experience rating under this system, those employers who had significantly high costs more than 3 years old for which the tax charged was insufficient will benefit since these cost overruns will be forgiven and not recovered. Your Committee finds that for experience rating to work over a long period, those long time charges which employers have not covered in the past must be made up in the future. This is not done under the benefit ratio system.

High Cost Employers

Your Committee also reviewed the effect of both proposals on certain high cost employers who are currently experiencing cyclical downturns in their industry. Your Committee found that due to the length of the business recession for these industries, the maximum tax rate of 5 per cent will be imposed and will continue to be imposed on these employers under both proposals. During this period,

good experience employers will be subsidizing the costs of these high cost employers under both proposals. During the recovery period for these industries, however, the high tax rates imposed will be reduced at a faster rate under the benefit ratio proposal than under the reserve ratio proposal. This reflects the differences in the time frame utilized in measuring experience under the alternative proposals as discussed in the previous section. As a result greater employment stability incentives may be provided to these employers during this recovery period under the benefit ratio proposal. Under the reserve ratio proposal these employers will not qualify for lower rates until their debts have been paid and reserves in their accounts have been established. As noted previously, however, most employers would be better able to meet their tax obligations during this period. In addition, once reserves have been established in these employer's accounts taxes will be reduced and during a subsequent cyclical downturn, tax increases will be moderate because of the reserves. This is not so under the benefit ratio proposal as discussed in the previous section.

Other Miscellaneous Features

Your Committee also reviewed other features of both proposals and found that the reserve ratio system would require approximately 2 to 3 months to implement at a cost of approximately \$2,400 while the benefit ratio system would require a lead time of 9 to 12 months and \$45,000 to implement. Your Committee also found that the computation of employer tax under the reserve ratio proposal is simpler and will be easier to administer than the benefit ratio system since the rates will be established by schedules. Under the benefit ratio system, the computation of the employer tax, particularly the socialized factor, will be much more complex and in addition will require an annual estimation for this tax component. Your Committee has serious reservations concerning the imposition of a tax component that will be based on a guess.

CONCLUSION

As indicated in the foregoing review, both proposals have advantages and disadvantages because of the different financing concepts inherent in both proposals. Based on the overall effect of the proposals on the UI program, however, your Committee has selected the reserve ratio proposal over the benefit ratio proposal. The selection

of the reserve ratio proposal is based primarily on the following factors:

First, the reserve ratio proposal appears to be more countercyclical in economic impact than the benefit ratio proposal. While higher taxes will be imposed under both systems during a prolonged downturn in the economy, the overall tax increase under the reserve ratio proposal is more moderate than the benefit ratio proposal. Under the benefit ratio proposal, an extremely heavy tax burden will be imposed on a greater number of employers during this period when most employers could probably least afford them. The imposition of higher UI taxes plus recent increases in the Social Security taxes for all employers were of particular concern to your Committee. What effect this widespread imposition of heavy taxes would have on the solvency of individual businesses is not known and could not be determined in this review.

Second, the reserve ratio proposal effectively meets an important objective of the UI financing program, i.e., the accurate and equitable allocation of costs. The revised reserve ratio proposal recognizes and rewards good experience employers by imposing lower taxes on these employers, imposes higher taxes on employers with less favorable experience, and also allocates the flat rate socialized cost (fund factor) equally among all employers. The benefit ratio proposal, on the other hand, shifts the socialized costs and levies higher taxes on good experience employers particularly during multi-year downturns in the economy. This is required under this proposal because of the 'replenishment' nature of the financing system, the forgiveness provision of the system, and the need to recover all benefits paid out in the previous year. Because of the maximum tax ceiling of 5 per cent on all employers the taxes must be increased for the good experience employers to raise the required revenues.

Third, the implementation of the reserve ratio proposal will continue to recognize the overall good experience of an employer. Some employers over the years have contributed substantially to the UI trust fund, have had very little turnover in employment, and consequently have built up large reserves in their accounts. In recent years, however, due to the prolonged economic downturn, many of these employers have experienced employee turnovers. Under reserve ratio, the system will continue to recognize the overall good experience of these employers, and

will assess these employers with moderate tax rates. Under the benefit ratio system, however, such employers will be heavily penalized because of the consideration of only the most recent 3-year experience of these employers. Thus, all past contributions and large reserves accumulated will be 'forgotten'. This results in these overall good employers being taxed heavily during adverse times. Your Committee's review indicated that many of these employers would be small business concerns which may find it difficult to assume the higher tax rates.

In conclusion, the revised reserve ratio proposal would be able to expeditiously return the UI trust fund to solvent levels, maintain the solvency of the trust fund, and further provide a more sound and equitable taxing system.

Your Committee has amended S.B. No. 2567-78 as received by your Committee by bracketing the word 'standard' and adding the word 'maximum' to page 4, line 15, of the bill to correct an error in drafting. With this amendment, employers who are delinquent in filing their unemployment insurance reports would be assigned the maximum tax rate rather than the standard rate of 3.0 per cent to avoid having an employer receive a reduced rate for being delinquent.

Your Committee has further amended the bill to require the tax rate for ineligible (new) employers be set at the maximum tax rate rather than 3.0 per cent as written in S.B. No. 2567-78. These new employers will qualify for an experience rating, or lower tax rate, after they have had employment, covered by the unemployment insurance law, for a full calendar year. Your Committee believes that setting the tax rate for new employers at less than the maximum gives such employers an economic advantage over existing employers. This is especially true in the construction industry where new joint ventures may be formed for one big job, or mainland contractors may bid for local jobs, taking into account a lower unemployment insurance tax rate than local firms.

Your Committee has reviewed the definition of 'adequate reserve fund' and has found that the definition should be revised. Under the current definition, it is estimated that the 'adequate reserve fund' would be \$208 million by the end of 1985. This would represent 4.3 per cent of total wages for the fiscal year ending June 30, 1985 and

appears to be excessive. Accordingly, your Committee has redefined 'adequate reserve fund' as the amount derived by multiplying the highest cost rate by total wages for the last completed fiscal year ending June 30, rather than 1.5 times that amount. As redefined, the 'adequate reserve fund' would be \$138 million, or 2.9 per cent of total wages in 1985. Also, because the 'adequate reserve fund' would be a lower amount, the Fund Solvency Contribution Rate Schedule on page 14 of S.B. No. 2567-78 was adjusted to reflect the lower amount and make it more sensitive to changes in the fund level.

Your Committee on Human Resources is in accord with the intent and purpose of S.B. No. 2567-78, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2567-78, S.D. 1, and be placed on the calendar for Third Reading."

"House Standing Committee Report No. 788-78, March 23, 1978 (S.B. No. 2567-78, SD 1, HD 1):

Your Committee on Employment Opportunities and Labor Relations to which was referred S.B. No. 2567-78, S.D. 1, entitled: 'A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY', begs leave to report as follows:

The purpose of this bill is to amend provisions of the Hawaii Employment Security Law covering the financing of unemployment insurance benefits in order (1) to provide adequate sums for required benefit payments, (2) to assure the future solvency of the trust fund from which such benefits are paid, and (3) to restore experience with unemployment as a factor in the determination of rates at which employers will be required to contribute into the fund.

Background

The unemployment insurance program was established in 1937 to insure workers against wage loss resulting from temporary unemployment. While its primary objective is to assist workers during periods of temporary unemployment, the program's objectives also include the promotion of economic efficiency and stability by encouraging a better utilization of labor and by sustaining consumer purchasing power in spite of employment loss. Benefit payments to claimants are financed through employer contributions into the Unemployment Compensation Trust Fund. Its

funding mechanism is an experience-rated, reserve-ratio system with variable tax rates dependent upon the amount of wages an employer pays his employees and his previous unemployment experience. It is a system designed to build reserves during periods of prosperity and is premised on an assumption that there will be cyclical economic fluctuations where recessions will be followed by periods of relative prosperity. It was not designed to handle chronically high unemployment extending over long periods. The system, however, adequately served the requirements of the program until fairly recently.

During the period between 1971 and 1977 the prolonged economic recession from which we have not yet emerged and other factors, including several features in the law, caused a depletion of the fund. In an effort to stem the depletion, the legislature expanded the taxable wage base and eliminated the practice of not charging some benefits drawn by claimants against employer reserve accounts in 1976. At the same time experience-rated contribution rates were temporarily suspended for the calendar year 1977 and all employers were taxed at a flat rate of 3.5%. These actions resulted in an improvement of the situation and the trust fund which was in a deficit position at the end of 1976 with a negative balance of almost \$12,000,000 now has a positive balance of over \$1,000,000. The temporary suspension of experience-rated contributions was extended for an additional year in 1977 to enable the legislature to conduct a thorough study of the problem. This examination has now been completed and your Committee concurs with the Senate Committee on Human Resources that further changes in the funding mechanism are necessary to assure the trust fund's future solvency and to restore the experience-rated employer contribution system.

Specific Proposals of S.B. No. 2567-78, S.D. 1

S.B. No. 2567-78, S.D. 1, proposed to retain the present reserve-ratio method of financing with modifications. Its specific proposals are:

1. To replace the present Contribution Rate Schedule which has a minimum rate of .2% and a maximum of 3% with a two-part schedule providing a minimum contribution rate of 0% and a maximum of 5%, the two-part schedule to consist of a Basic Contribution Schedule and a Fund Contribution Schedule.

2. To set an employer's total contribution rate for any year as the sum of this basic contribution rate as determined under the Basic Contribution Schedule and a fund solvency contribution rate as determined under the Fund Solvency Contribution Schedule. The basic contribution rate will reflect the employer's own experience with unemployment and the fund solvency rate will reflect the trust fund's financial condition and the employment experience of all employers required to make contributions.
3. To require new employers to contribute at the maximum rate rather than at the current 3% rate.

The mechanism selected to maintain the future solvency of the trust fund is the Fund Solvency Contribution Schedule as required contributions thereunder will fluctuate with the fund's financial condition relative to anticipated requirements for benefit payments.

Committee Findings and Recommendations

Your Committee finds that legislation is now required:

1. to insure that the trust fund will contain enough money to pay all anticipated unemployment insurance benefits; and
2. to allocate the costs of such benefits as equitably as possible among all employers without unduly penalizing employers in industries with inherently high unemployment.

It is of the opinion that the proposal of S.B. No. 2567-78, S.D. 1, to retain the reserve-ratio method of financing with modifications is sound and that a return to experience rating as a basis for determining cost allocation under the program is desirable. It agrees that the new Fund Solvency Contribution Schedule will maintain the fund in a solvent condition in the foreseeable future.

Your Committee, however, is of the further opinion that a contribution rate schedule with a lower maximum will raise sufficient sums to maintain fund solvency. It also believes that present minimum contribution rate of .2% should be retained as it is a progressive feature furthering the program's 'insurance' concept. Your

Committee thus requested data and projections from the Department of Labor and Industrial Relations on whether a contribution schedule with a minimum of .2% and a maximum of 4.5% would adequately finance the program. The data and projections furnished by the department indicate that such a schedule would adequately meet program needs for the foreseeable future and would not build overly large reserves.

A further reason for a lower maximum than 5% is that the bill proposes a tax rate for newly covered employers at the maximum rate rather than at the current 3% standard tax rate. As this may tend to discourage new

businesses and may place them at a competitive disadvantage, the committee is of the opinion that a 4.5% maximum is justified.

Your Committee therefore recommends the adoption of a contribution schedule with a minimum rate of .2% and a maximum rate of 4.5% and has amended S.B. No. 2567-78, S.D. 1, accordingly.

Your Committee on Employment Opportunities and Labor Relations is in accord with the intent and purpose of S.B. No. 2567-78, S.D. 1, as amended herein and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2567-78, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading."

Effect of SB 2567-78 SD 1 with Amendments to:

1. Decrease the maximum tax rate to 4.5%.
2. Increase the Basic Contribution Rates by 0.2%.

Estimated Effect on the Trust Fund, 1970-1977

Calendar Year	Insured Unemployment Rate	Benefits	Contributions	Average Tax Rate	End-of-year Reserves
1970	2.4%				\$44
1971	3.9%	\$28	\$17	1.5%	\$33
1972	4.8%	\$31	\$21	1.7%	\$23
1973	3.7%	\$27	\$38	2.7%	\$34
1974	4.2%	\$35	\$31	2.0%	\$30
1975	5.2%	\$52	\$46	2.7%	\$24
1976	6.3%	\$66	\$54	3.0%	\$12
1977	4.6%	\$50	\$71	3.6%	\$33

-Dollars are in millions of dollars.

-Benefits are actual benefits experienced.

-Contributions are estimated assuming the proposed system would have gone into effect beginning in calendar year 1971. Taxable wages were also assumed to be at levels reflective of the increase in the taxable wage base from 90% to 100% of the statewide average annual wages.

Projected Effect on the Trust Fund 1976-1985

Low Unemployment Assumption:

Calendar Year	Insured Unemployment Rate	Benefits (millions)	Contributions (millions)	Trust Fund Balance (millions)	Average Tax Rate	Tax Rate in Effect	
						Minimum	Maximum
1976	6.3%	\$66	\$49	-\$12	3.0%	3.0%	3.0%
1977	4.6%	\$50	\$63	\$ 1	3.5%	3.5%	3.5%
1978	4.5%	\$54	\$74	\$21	3.5%	3.5%	3.5%
1979	4.5%	\$59	\$77	\$39	3.3%	2.2%	4.5%
1980	4.0%	\$61	\$75	\$53	3.0%	1.8%	4.5%
1981	4.0%	\$65	\$81	\$69	3.0%	1.8%	4.5%
1982	4.0%	\$69	\$79	\$79	2.7%	1.4%	4.5%
1983	4.0%	\$73	\$85	\$91	2.7%	1.4%	4.5%
1984	4.0%	\$77	\$92	\$106	2.7%	1.4%	4.5%
1985	4.0%	\$81	\$89	\$110	2.3%	1.0%	4.5%

Medium Unemployment Assumption:

Calendar Year	Insured Unemployment Rate	Benefits (millions)	Contributions (millions)	Trust Fund Balance (millions)	Average Tax Rate	Tax Rates in Effect	
						Minimum	Maximum
1976	6.3%	\$66	\$49	-\$12	3.0%	3.0%	3.0%
1977	4.6%	\$50	\$63	\$ 1	3.5%	3.5%	3.5%
1978	4.5%	\$54	\$74	\$21	3.5%	3.5%	3.5%
1979	5.0%	\$66	\$77	\$32	3.3%	2.2%	4.5%
1980	5.0%	\$70	\$83	\$45	3.3%	2.2%	4.5%
1981	5.0%	\$75	\$81	\$51	3.0%	1.8%	4.5%
1982	5.0%	\$79	\$83	\$60	3.0%	1.8%	4.5%
1983	5.0%	\$84	\$95	\$71	3.0%	1.8%	4.5%
1984	5.0%	\$88	\$92	\$75	2.7%	1.4%	4.5%
1985	5.0%	\$93	\$111	\$93	3.0%	1.8%	4.5%

High Unemployment Assumption:

Calendar Year	Insured Unemployment Rate	Benefits (millions)	Contributions (millions)	Trust Fund Balance (millions)	Average Tax Rate	Tax Rates in Effect	
						Minimum	Maximum
1976	6.3%	\$66	\$49	-\$12	3.0%	3.0%	3.0%
1977	4.6%	\$50	\$63	\$ 1	3.5%	3.5%	3.5%
1978	5.4%	\$57	\$74	\$ 8	3.5%	3.5%	3.5%
1979	6.0%	\$79	\$84	\$13	3.6%	2.6%	4.5%
1980	6.4%	\$90	\$90	\$13	3.6%	2.6%	4.5%
1981	6.0%	\$89	\$98	\$22	3.6%	2.6%	4.5%
1982	5.5%	\$87	\$97	\$32	3.3%	2.2%	4.5%
1983	5.0%	\$84	\$104	\$52	3.3%	2.2%	4.5%
1984	5.0%	\$88	\$102	\$66	3.0%	1.8%	4.5%
1985	5.0%	\$93	\$111	\$84	3.0%	1.8%	4.5%

Basic Contribution Rate Schedule

Reserve Ratio	Contribution Rate
.1500 and over	0.2%
.1400 - .1499	0.4%
.1300 - .1399	0.6%
.1200 - .1299	0.8%
.1100 - .1199	1.0%
.1000 - .1099	1.2%
.0900 - .0999	1.4%
.0800 - .0899	1.6%
.0700 - .0799	1.8%
.0600 - .0699	2.2%
.0500 - .0599	2.6%
0 - .0499	3.0%
Negative reserve	4.5%
Ineligible	4.5%

Fund Solvency Contribution Rate Schedule

Ratio of Current Reserve Fund to Adequate Reserve Fund	Fund Solvency Contribution Rate
2.00 or more	-0.5%
1.50 - 1.99	-0.2%
1.00 - 1.49	0
0.90 - 0.99	+0.4%
0.80 - 0.89	+0.8%
0.60 - 0.79	+1.2%
0.40 - 0.59	+1.6%
0.20 - 0.39	+2.0%
less than 0.20	+2.4%

Reserve Ratio	Contribution Rates								
	-0.5%	-0.2%	0	+0.4%	+0.8%	+1.2%	+1.6%	+2.0%	+2.4%
	1	2	3	4	5	6	7	8	9
.1500 and over	0	0	0.2	0.6	1.0	1.4	1.8	2.2	2.6
.1400 - .1499	0	0.2	0.4	0.8	1.2	1.6	2.0	2.4	2.8
.1300 - .1399	0.1	0.4	0.6	1.0	1.4	1.8	2.2	2.6	3.0
.1200 - .1299	0.3	0.6	0.8	1.2	1.6	2.0	2.4	2.8	3.2
.1100 - .1199	0.5	0.8	1.0	1.4	1.8	2.2	2.6	3.0	3.4
.1000 - .1099	0.7	1.0	1.2	1.6	2.0	2.4	2.8	3.2	3.6
.0900 - .0999	0.9	1.2	1.4	1.8	2.2	2.6	3.0	3.4	3.8
.0800 - .0899	1.1	1.4	1.6	2.0	2.4	2.8	3.2	3.6	4.0
.0700 - .0799	1.3	1.6	1.8	2.2	2.6	3.0	3.4	3.8	4.2
.0600 - .0699	1.7	2.0	2.2	2.6	3.0	3.4	3.8	4.2	4.5
.0500 - .0599	2.1	2.4	2.6	3.0	3.4	3.8	4.2	4.5	4.5
0 - .0499	2.5	2.8	3.0	3.4	3.8	4.2	4.5	4.5	4.5
Negative	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Ineligible	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Average	1.3	1.5	1.7	2.0	2.3	2.7	3.0	3.3	3.6

Distribution of Employers By Proposed Reserve Ratio Groups and Major Industry Groups (As of End of 1976)

Reserve Ratio	Agriculture Forestry & Fisheries	Mining & Construction	Manufacturing	Transportation Communication and Utilities	Wholesale & Retail Trades	Finance Insurance & Real Estate	Services	Nonclassifiable Establishment
.1500 and over	54	120	117	66	1,031	505	1,236	0
.1499 - .1499	18	15	51	36	366	139	352	1
.1300 - .1399	16	28	38	30	386	119	348	0
.1200 - .1299	19	31	55	27	364	142	349	0
.1100 - .1199	21	43	49	34	304	99	287	0
.1000 - .1099	24	43	34	36	283	100	296	0
.0900 - .0999	76	74	49	92	529	194	606	5
.0800 - .0899	67	93	52	84	513	147	432	4
.0700 - .0799	16	44	17	20	155	20	121	0
.0600 - .0699	4	46	17	28	107	35	92	1
.0500 - .0599	7	52	15	16	98	24	93	0
0 - .0499	34	191	47	78	263	95	298	2
Negative	80	622	67	61	309	119	359	2
Ineligible ¹	144	394	124	184	1,461	362	1,358	77
Total	580	1,796	732	792	6,169	2,100	6,227	92

¹ Employers are not eligible for a reduced rate (experience rating) for a particular year unless they have been chargeable with benefits for a 12 consecutive month period ending on December 31 of the previous year. This group includes new employers and established employers who have periods of no employment.

Representative Carroll then rose to speak in favor of the bill, stating:

"Mr. Speaker, I would like it to be noted that this bill also gives effect to a similar measure I introduced earlier this year, and I usually don't make that comment, but I feel in this case it's important.

I would also like to commend the chairman of the Employment Opportunities and Labor Relations Committee for sustaining himself and the Committee under the enormous pressures that were brought to bear by members of the community, from big business, small business, labor and not to mention myself.

I would also like to ask that the reservations of the representative from Manoa be incorporated by reference to these remarks and adopted as my own.

I'd like to urge that we all vote 'aye' on this measure and look forward to going further in this area in the coming year.

Thank you."

The motion to pass S.B. No. 2567-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY", on Third Reading was put by the Chair and carried by a vote of 50 ayes to 1 no, with Representative Sutton voting no.

S.B. No. 2100-78, SD 1 HD 1:

Representative Takamine moved that S.B. No. 2100-78, SD 1, HD 1, having been read throughout, pass Third Reading, seconded by Representative Peters.

Representative Dods then rose to speak against the bill, stating:

"Mr. Speaker, we have just approved S.B. 2567 returning the Unemployment Trust Fund back to an experience rating.

The purposes of S.B. 2567 are: first, to provide adequate sums for required benefit payments; second, to assure the future solvency of the Trust Fund; and third, to restore experience ratings.

The Trust Fund went broke because of a prolonged economic recession and several features in the old law which depleted the Fund. Now, with this bill before us, we are already

chipping away at S.B. 2567 before it even becomes law.

If this bill becomes law, it would mean that an employee who is suspended from employment for misconduct cannot qualify for employment insurance benefits for at least two weeks. The disqualification period cannot be more than five weeks. For example, the week in which he has been suspended plus the four weeks following the week he was suspended. The maximum five week disqualification period would be imposed in the most serious case of misconduct. A two-week period of disqualification would be imposed in the least serious case of misconduct. Additional weeks of disqualification would be added as the employee's misconduct becomes more serious, until the maximum of five weeks of disqualification is imposed.

This bill would also mean that the employee who is suspended for misconduct for a period longer than five weeks would nevertheless qualify for benefits on the sixth week. Thus, even if the suspension imposed by the employer is ten weeks, the employee would qualify from the sixth to the tenth week.

Also, because the period of disqualification is to be determined in accordance with the seriousness of the misconduct, the number of weeks of disqualification to be served by a disqualified employee is dependent upon who determines the seriousness of the misconduct. Thus, an employer may believe that an employee's misconduct is very serious and therefore impose upon the employee 16 weeks of suspension from employment. If the Department of Labor is the one who is to determine the seriousness of the misconduct, the Department could impose a disqualification period of two weeks instead of 16 weeks disagreeing with the employer that the employee's misconduct was very serious. Presumably, the employee would then qualify for benefits after two weeks.

As distinguished from this bill, under the current law, an employee who has been suspended for misconduct would never qualify for benefits during the period of his suspension. This bill, on the other hand, would limit the period of disqualification to no more than five weeks irrespective of the period of suspension beyond five weeks which may be imposed by the employer.

Mr. Speaker, I have nothing but high regard for the Department of

Labor and its director, Dr. Agsalud. But during hearings on this bill it was pointed out by the Department of Labor and others that it has never come to their attention that anyone has ever abused this law. And yet here we are changing the law because some groups think there is a potential of abuse.

I feel that there are a lot of potential abuses in just about every law we pass, but just because it's there does not mean that we have to change every law on the books.

Let's take another look at how this bill would work. In the case of the Board of Water Supply employee who was suspended for 30 days because of unethical behavior, if the Labor Department thought that this was too severe, this employee would be eligible to collect unemployment.

I think most of us are pretty familiar with what this bill would do. And, Mr. Speaker, just to wrap this up, I guess that the reason I am opposed to this bill is because it was not for this reason that the unemployment program was set up. It was set up to take care of workers temporarily out of work, and not with suspensions."

Speaking against the bill, Representative Ajifu stated:

"Mr. Speaker, my reservations lie in my belief that this measure is totally unnecessary at this time.

I believe that, contrary to the committee report's contention that there would be employer abuse under present law, this change in the law will very likely lead to abuse of employment rights by discontingent employees.

Our federal and state statutes provide for substantial assistance in the case of an employee who is unjustly discharged or suspended by an employer who claims the worker was guilty of misconduct. If the employee is found to be right, he is given his back pay or other remedy is provided for.

But if we pass this amendment to the Hawaii Employment Security Law, we are making it easier for employees to take advantage of the statute's protective intent and open it up to abuses. We are, in effect, providing an incentive for an employee to engage in misconduct on the job, to treat the responsibilities of his employment irresponsibly,

because the penalty for doing so is being made ever more lenient.

This amendment to the law most especially hurts the small businessman in Hawaii. Today, we are concerned with the state of our economy, with encouraging businesses to thrive and grow so that the number of jobs will increase.

When we pass a measure like this one, I wonder if we are not moving in a contradictory manner, encouraging employee irresponsibility at the expense of the employer who is struggling to keep afloat in a highly competitive and stressful economic period.

Therefore, I urge all of my colleagues to reconsider the passage of Senate Bill 2100, and that they vote against it.

Thank you."

Representative Takamine then rose to speak in favor of the bill, stating:

"The purpose of this bill is to try to correct what was considered an error made in 1976. In 1976 we passed a bill, but we treated discharge and suspension the same, that both cases, whether the person is discharged or suspended, that particular person had to have five weeks of work to qualify for unemployment compensation. The idea of this suspension, Mr. Speaker, is that that person would go back to work for his original employer. Therefore, the employer is the one that controls the limit of suspension before it becomes a discharge.

The Senate bill calls for a flat two week suspension, but your Committee felt that it would be equitable to begin, because it's a series of misconducts from a very minor to a very serious misconduct, that we have a very flexible suspension from one week to four weeks, which would mean essentially five weeks, because there's a waiting period of one week before they collect unemployment compensation benefits.

Thank you."

Representative Abercrombie rose to "speak in favor, with reservations", stating:

"I signed the committee report with reservations, and the chairman has just alluded to the reasons for my reservations.

Again, as an experience rating in the experience rating bill, the Senate's

version, in my estimation, is a better version. The Senate draft made these suspended workers ineligible for the week of suspension plus one to four additional weeks - an increase of up to three weeks. As I signed the bill with reservations, I wanted to note that. I don't think that this gives flexibility, except in the worst sense of the word. If someone wants to utilize a disagreement with an employee in such a way as to toy with the idea of whether they want to go on to remove them from employment, that is to say, fire them, as opposed to suspend them . . . if someone wants to toy with the employee, they're able to do that.

Now, if something is minor, in terms of the disagreement with the employer and employee and the suspension is involved, fine. The one week suspension and the one additional week should be able to settle that for any reasonable group of people and/or individual. But to put it up to three weeks extra, four weeks, 30 days in which income might be lost, as a result of an employee perhaps feeling that he or she may mollify the boss. In the meantime, the boss, being able to take advantage of that length of period to perhaps coerce the employee into a situation the employee would rather not accept but would accept rather than lose a job and the income. I think this gives far too much 'flexibility'. If you're going to suspend somebody for misconduct, with all the implications that that word has, from minor to grievance, you should be able to decide as an employer, it seems to me, within two weeks whether you wish to have that employee continue to remain in your employ. To give four weeks is to give an opportunity for a kind of coercion and game playing with individual employees, especially that, I think, is unconscionable.

Therefore, I would like to vote for this bill, with those reservations, in the hopes that we can return to the shorter period and so that the employer can decide whether or not that employee is to continue in his or her employ or not and so that the person who has been charged with the misconduct will know where he or she stands, sufficiently soon to begin searching for another job.

Thank you."

The motion to pass S.B. No. 2100-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNEMPLOYMENT INSURANCE", on Third Reading was put by the Chair and carried by a vote of 42 ayes to 9 noes, with Represen-

tatives Ajifu, Carroll, Cobb, Dods, Evans, Ikeda, Larsen, Narvaes and Sutton voting no.

The Chair directed the Clerk to note that S.B. No. 2567-78, SD 1, HD 1, had passed Third Reading at 12:25 o'clock p.m.; and S.B. No. 2100-78, SD 1, HD 1, at 12:38 o'clock p.m.

At 12:38 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:40 o'clock p.m.

STANDING COMMITTEE REPORTS

Representative Garcia, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 859-78) recommending that S.B. No. 2622-78, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative K. Yamada moved that the report of the Committee be adopted and that S.B. No. 2622-78, SD 1, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Cobb.

Representative Abercrombie then rose and asked:

"Would the chairman yield to a question in respect to the purpose of the bill?"

The Chair asked Representative Abercrombie:

"Could you state your question?"

Representative Abercrombie replied:

"Yes. It says, 'the purpose of the bill is to provide that a witness who intentionally refuses to testify or be qualified as a witness when called as a witness and not having been granted immunity pursuant to' the chapter, 'may be held in contempt of court.' Is it well established in legal doctrine as to what 'intentionally' is defined as?"

Representative Garcia replied:

"Yes it is, Mr. Speaker."

Representative Abercrombie then asked:

"Could I know what that is before voting? Is that something lengthily

described?"

Representative Garcia replied:

"Mr. Speaker, if the gentleman would like an explanation of it, I would have to go and talk to my attorneys about that. If you would like to have a short recess?"

Representative Abercrombie then said:

"No. Well, let me put it this way, does the chairman intend to caucus to present the insides and outsides of where this 'intentionally' comes in? The reason I ask the question, if he would respond, is that there are mandatory sentencing implications in this bill."

Representative Garcia then stated:

"Mr. Speaker, I believe we will be having a caucus on this bill at a later time, either today or tomorrow morning."

The Chair then asked:

"Does that answer your question, Representative Abercrombie?"

Representative Abercrombie replied:

"Yes, it does."

Representative Sutton then rose to speak against the bill, stating:

"Mr. Speaker, if you look to page two, it now says, 'He, when called as a witness and not having been granted immunity pursuant to chapter 621C, intentionally refuses to testify or be qualified as a witness when duly directed so to do.'"

Mr. Speaker, we have long had a fifth amendment in our Constitution. We adopted the same wording in the Constitution of the State of Hawaii against incrimination. These particular contempt citations are saying in so many words . . . and if you take the fifth amendment, you're in contempt of court, and being in contempt of court, you will have a criminal penalty, and so it's an end run around the fifth amendment.

I would urge my colleagues to vote 'no'."

The motion was put by the Chair and carried and the report of the Committee was adopted and S.B. No. 2622-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING

TO CONTEMPT OF COURT", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978, with Representatives Abercrombie, Campbell, Cobb, Larsen and Sutton voting no.

Representative Garcia, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 860-78) recommending that S.B. No. 1691-78, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Garcia, seconded by Representative K. Yamada and carried, the report of the Committee was adopted and S.B. No. 1691-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AMENDMENT OF NOTICE TO VICTIM PROVISION OF HRS 706-602", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

The Chair directed the Clerk to note that printed copies of S.B. Nos. 2622-78, SD 1, HD 1, and 1691-78, HD 1, were made available to the members of the House at 12:40 o'clock p.m.

Representative Kunimura, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 861-78) informing the House that House Resolution Nos. 541 to 603, House Concurrent Resolution Nos. 119 to 142 and Standing Committee Report Nos. 772-78 to 790-78 have been printed and distributed.

On motion by Representative Kunimura, seconded by Representative Lunasco and carried, the report of the Committee was adopted.

THIRD READING

The following bills, which were on the calendar for Third Reading, were read throughout and the following actions taken:

S.B. No. 2202-78, SD 1, HD 1:

On motion by Representative Suwa, seconded by Representative Peters and carried, action on S.B. No. 2202-78, SD 1, HD 1, was deferred for one day.

S.B. No. 1469, SD 1, HD 2:

On motion by Representative Ushijima, seconded by Representative Nakamura, S.B. No. 1469, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO

PUBLIC ASSISTANCE", passed Third Reading by a vote of 48 ayes to 3 noes, with Representatives Abercrombie, Baker and Stanley voting no.

At 12:52 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:53 o'clock p.m.

S.B. No. 2620-78, SD 2:

By unanimous consent, action was deferred for one day.

S.B. No. 380, SD 2, HD 1:

Representative Uwaine moved that S.B. No. 380, SD 2, HD 1, having been read throughout, pass Third Reading, seconded by Representative Stanley.

Representative Larsen then rose to speak against the bill, stating:

"Mr. Speaker, last year we passed a bill into law, a mandatory retirement or eligibility for retirement for both policemen and firemen. Now I see we're increasing this to include sewer workers. Next year I wonder if we will increase the same type of thing to include anybody else who wants to retire after 25 years. This potentially waxes about \$28 million in State retirement benefits if it will be expanded to the rest of the members of the State hierarchy. I object to it in principle that we continue to benefit one small group at each time. I really believe it's a bad precedent to set for workers of state and federal government. By giving them the right to retire no matter what age they are after 25 years of service sets up a mechanism where young people 45 years old or so could actually retire and go on to their maximum benefits. I object to this as principle. I think it's just a mechanism that is used by certain individuals to go on to a state funding which is paid for by the taxpayers. If they are physically unable, if they are old, that's one thing. But somebody who just put in 25 years and decides he wants to go into rest situation, I object to and I urge my colleagues to vote 'no' on this measure. Thank you."

Speaking in favor of the bill, Representative Stanley stated:

"I think I would like to call the attention of my colleagues that this bill has

taken a number of years to pass this House. It has been studied thoroughly. We've had an extensive research paper done and presented and circulated to the members. I think that we should take each case of given 25 years and out on its own merits and in proper consideration, with the prior speaker's concerns in mind, make a decision based on this reason. As we have looked at the conditions of the categories named of sewer workers in this bill, we find that these people are indeed entitled to this benefit and I urge all my colleagues to vote for this bill."

Representative Dods then rose to speak in favor of the bill, stating:

"During last year's hearings on this sewer workers' bill, I think that a lot of the representatives realized for the first time what our unseen sewer workers do for a living and the kind of hazardous conditions that they are subjected to work under due to frequent exposures to toxic gases and to various deadly diseases.

For those of us not familiar with what the sewer workers go through in their daily operations, may I suggest that they read the following comprehensive report, entitled: AN INVESTIGATION OF THE HEALTH, SAFETY AND WORKING CONDITIONS OF HONOLULU SEWER WORKERS BY THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS IN COOPERATION WITH THE DEPARTMENT OF HEALTH, THE UNIVERSITY OF HAWAII SCHOOL OF PUBLIC HEALTH, AND THE DEPARTMENT OF CIVIL SERVICE OF THE CITY AND COUNTY OF HONOLULU, which was the result of our House Resolution No. 504, HD 1, sponsored by Representative Kathleen Stanley and myself.

Mr. Speaker, because of the nature of their work, I am extremely pleased to support this bill for early retirement of sewer workers. Maybe now, after working under these conditions, they will be able to enjoy their early retirement that they rightly deserve.

Thank you."

Upon being recognized, Representative Abercrombie stated:

"Mr. Speaker, I'd like to speak in favor of the bill, and for a very specific reason.

I do not believe that the fears raised by this representative asking us to vote 'no' will be realized. There were very specific reasons as to why the firemen, the policemen and, I'm

happy to say, the correctional officers were included and included on a blanket circumstance, and why the sewer workers are now included. I do not believe there will be others forthcoming. That is the element of danger - long term danger - danger that comes about under circumstances which can be singular, perhaps, maybe only once in the entire career of the people involved. But that once is sufficient to lead them either rendered crippled or disabled for life or to kill them. That's not to sensationalize the circumstances. It's merely to state a fact.

We hadn't realized, prior to our investigations on the committee, as to the circumstances under which the sewer workers had to work other than to be pretty damn sure that we didn't want to be doing it. It, I suppose, in a sense became, or is quite easy to, and it's not a reflection at all on the urging that we vote no, because I'm sure I'm not much different than a lot of other people in that respect, and maybe I'll go on down and work in the sewers. But because it's scary, plain and simple, it's a frightening circumstance to have to deal with and, as in most other instances in which we're frightened, we tend to try and make comedy out of it. I think most comedy is based on the capacity of the individual to recognize the frightening circumstance that somebody else faces and relieve our attention by a laugh. That's why we have a lot of laughs on this floor. But . . . see, the majority leader has smiled for the first time today. That is the reason that this is passing, and I wouldn't want it thought that we're recommending it out of our committee because we're trying to establish any precedent in which we'll try to make it easy for people to slide into an early retirement circumstance.

It is very, very specifically related to the common element of danger. It's very, very specifically related to the common element that the danger may come upon the person at any moment and that it cannot be guaranteed that that element of danger will occur with regularity, something that can be measured very easily. This is a human circumstance. It may never occur at all in anyone's life, in any of the categories - firemen, policemen, correctional officers or the sewer workers - but, the fact that the possibility of it is there and the consequences of it are so dire, we felt that this was an appropriate addition to the philosophical proposition that we voted into law when we voted the correctional officers, the firemen and the policemen into the 25 year

circumstance.

Thank you."

Representative Kunimura then rose to speak in favor of the bill, stating:

"I've opposed this bill in the past because I too felt that this was the beginning of a great erosion. But after reading materials sent to this House, I began to realize that the policemen and the firemen faced danger and we felt that we should take care of this situation. And, also, when you look at the electrician, he faces danger; and this was my thought, that he can, you know, be electrocuted.

But when you look at the sewer worker, his everyday working conditions, it is the most unpleasant . . . death can creep up. The electrician can turn the master switch off and do the repair and then flick the switch back on again. Not the sewer worker. He goes down into the hole and doesn't know what's down there.

And, I began to realize that you don't appreciate the plumber, really, you don't appreciate the plumber until your plumbing gets clogged up and then you beg mercy of the plumber.

Well, I'd hate to be a sewer worker. But, I tell you something, if I could do just a little more to make his life or his promises, you know, or his retirement a little bit more meaningful, then I would like to do everything in my power to make his life more bearable so that we, who don't want to go into the hole, you know, can flush the toilet every day without fear of having the thing back up.

So, I urge every member of this House to vote in favor of this. This is not an erosion. But this is recognizing the necessary facts of life that you reward those who are ready to stand up there or get down in the hole to do our dirty jobs.

Thank you."

Representative Larsen, speaking in rebuttal, stated:

"Mr. Speaker, when I first got up to make my comments about this bill, I had no personal grievance against sewer workers as such. I have my grievance against the idea that we are starting to put in a pattern here that any time you have a distasteful or dangerous job, we're going to grant State or County employees the right to retire after 20 or 25 years of service - twenty-five, right now, and twenty is the next step.

And I object to it on that basis.

The bill itself talks about various worker categories in which special credits are given and allowed and it leaves them here. We're visualizing. We're creating fantasies in this chamber here about talking about going down in a hole and getting blown up, blown sky high through the manhole cover or something like that.

But here it talks about Cesspool Pumping Equipment Operator I, Pumping Equipment Operator II, Cesspool Pumping Supervisor, etc., etc. These people don't go near a hole. They stand outside, stick a long pole down there to start their engine and take the load out and dump it back in the sewer someplace.

Now, there's literally, I would imagine, dozens or maybe hundreds of workers who are in these types of jobs that a lot of us consider distasteful. No question about it. I consider it distasteful. If that is true, then, I think they should be paid extra to do the distasteful jobs. I do not think we should reward them with the idea that they will retire if they are serving 25 years in this type of work. They retire and get 75% of their wages forever, for their whole lifetime, that is. I think this is loading the retirement system a bias.

Now, back to the idea of the firemen and the policemen. Originally that bill came flying by us four years ago and it was policemen only. It caused a hassle between the firemen and the policemen and there was a lot of pushing and pulling around the halls upstairs here as some of us realized and finally to stop the hassle that was developing between the Police and the Fire Departments, we said, okay, fine, let's put the firemen on it also.

Okay, the next thing we heard was that there's two chaps here in our chamber and I heard the Sergeant-at-Arms and the Chief Clerk that they should be members of the 3% club that we've voted ourselves into as retirement. That's terrific.

Okay, now we're talking about correction workers. I think they're under stress and strain.

I think a body we have not covered here in this resolution is those fellas who work on the highway. They're

under threat day in and day out repairing guardrails, putting lines down, etc.

Where are we going to stop on this type of thing? That's what I'm talking about. I object to this bill because it extends what we say is a contribution to the increasing cost of the retirement program, something this State cannot just open up and let leaks in. Every year we come here we'll find another group that can get into the retirement system on a high level of long range cost; therefore, I urge members here to vote against the fiscal responsibility, not the idea that it's good jobs, bad jobs, or anything else.

Thank you."

Representative Abercrombie then rose and stated:

"Mr. Speaker, I recognize the . . . continuing my advocacy of the bill. I recognize the previous speaker's intentions and the qualifications of his remarks. But, I recall well - I think it's important for the members who were not here when the firemen, policemen, correction workers' situation came about, as well as others who are not aware of it - I recall very well having people in my office speaking to me about it, firemen and policemen - some people I have known since the late '50's - and I recall saying to them that I think what is the important point here is the common elements that you share, not the differences in jobs. And maybe I didn't make it clear enough, and I perhaps should have, when I said danger. Danger perhaps is a bit of the sensationalizing that I said I wanted to avoid when making this commentary.

What we're talking about is a kind of tension. A kind of tension which I will not relate in detail to the body today, but which I will be happy to provide at anytime, especially where policemen, firemen and correction officers were involved.

The correction officers were not going to be part of this originally. Some of us had to fight like hell to get the correction officers into this situation. And some of it was based on the fact, well, it's not the same as firemen and it's not the same as policemen. And that's quite true. The element is tension.

The divorce rate, for example, the alcoholism rate, the broken families, even the abuse rate, in terms of spouses, is much higher in these areas, in these categories of working. And the reason is it is very, very difficult to leave your

job with the job when you come home. It's a tension element. And that tension element is reflected in your psychology and your capacity to do work. The 25 years doesn't ease people out so they can take another thing to do. That may be in effect in some instances. So what? The point is, is whether the person is capable of doing the job. When you give somebody a gun, when you give somebody the responsibility to possibly save your family, when you give somebody the responsibility to guard dangerous people, even psychopathic people, and when you give someone the responsibility to go on the job even though they may not be entirely sure exactly what the circumstances of volatile gas combinations may be, what you're doing is creating a certain tension in that life that is reflected in, if you will, the civilian life that they participate in afterwards at the end of their working day. That's the main thing here. It is appalling, just to refer to the policemen. It is absolutely appalling the social costs of being a policeman - the individual cost of being a police officer, I should say. With this in mind, this is the reason that it's being done.

If it starts being capricious or is an attempt by unscrupulous elements, special interest, to try and do this, it's up to us to try and fight it. And if we don't have sufficient character, if we don't have sufficient integrity in this Legislature to do it, it will be passed away. If we're going to try and turn this into one vast boondoggle, one vast boodle shop of payoffs to special interests, there's going to be nothing on the earth that's going to stop it except the voters.

What we're doing here is saying that we want this bill passed because we feel in good conscience that we can go back to the voters, go back to our constituents no matter who they are, and say to them we can justify this and this is the grounds that we do it upon and we most certainly do not justify it on the grounds that in the future we will let anybody walk in here who wants to be added on to the list and simply be added on because we've set some kind of precedent by doing this in the first place. That is to say, recognizing the specific instances of danger and tension that are existent in the job categories we've listed here.

The last point I want to make is that I don't think sufficient attention has been paid, even though it's been referred to here on the floor, to the report that was given us. I remember

very well that Representative Dods had reservations on this situation - wanted some proof. This is the kind of thing that I think will take place in the future when anybody comes before us under these categories. He asked for specific information. I shouldn't say he alone, but he made reference to it in his talk and I think that was the proper way to do things. And we did it the proper way. The answers came forward and that's why the bill's before us. That's the proper conduct of business, fiscally and otherwise. So, I don't think we have to fear an inundation of special interest retirement unless we have an inundation of legislators who will vote that kind of thing. That kind of thing isn't up to a bill and it's most certainly not up to the sewer workers. That's up to us.

Thank you."

Representative Suwa then rose and stated:

"I would be remiss if I did not speak for this bill, Mr. Speaker. At first I wasn't going to speak on this bill because it might create some conflict since all my relatives work in this area. Nevertheless, Mr. Speaker, as far as the retirement system, I have reviewed that and I have reviewed the cost element also and I think this is a fair bill pertaining to the sewer workers; therefore, I ask the members to support this bill."

The motion to pass S.B. No. 380, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RETIREMENT FOR SEWER WORKERS", on Third Reading was put by the Chair and carried by a vote of 50 ayes to 1 no, with Representative Larsen voting no.

S.B. No. 2478-78, SD 1, HD 1:

On motion by Representative Suwa, seconded by Representative Lunasco, S.B. No. 2478-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO IMPROVEMENT BY ASSESSMENT", passed Third Reading by a vote of 50 ayes to 1 no, with Representative Narvaes voting no.

S.B. No. 1782-78, HD 1:

By unanimous consent, action on S.B. No. 1782-78, HD 1, was deferred to the end of the calendar.

The Chair directed the Clerk to

note that S.B. No. 1469, SD 1, HD 2 had passed Third Reading at 12:52 o'clock p.m., and S.B. Nos. 380, SD 2, HD 1, and 2478-78, SD 1, HD 1, at 1:13 o'clock p.m.

At 1:13 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 2:04 o'clock p.m.

DEFERRED MATTERS FROM EARLIER ON THE CALENDAR

Stand. Com. Rep. No. 815-78 (S.B. No. 1581-78, SD 1, HD 2):

Representative Cayetano moved that the report of the Committee be adopted and that S.B. No. 1581-78, SD 1, HD 2, having been read throughout, pass Third Reading, seconded by Representative Takamura.

Representative Ikeda then rose to speak in favor of the bill, stating:

"Mr. Speaker, I rise to speak in favor of this bill, but with great hesitation and some reservation.

Mr. Speaker, this bill calls for expenditure of over \$4 million for what is fast becoming a 'motherhood' area of funding - alternate energy resources.

Since the fuel crisis of 1974, all of us in Hawaii and across the nation are still recovering from the traumatic experience of knowing what it is like to be short on gas. We have looked anxiously at other alternatives for fuel resources; knowing that we had to find ways to shore up our demands for fuel by utilizing as many alternatives as were available to us here in this island state.

But I contend that we cannot afford to throw money around on such a serious subject as this one, even though we have felt the panic of being short on fuel during a crisis. We must tread very carefully when we allocate funds for the kinds of projects included in this bill, because it is our responsibility as legislators to assure that no one individual or group is taking advantage of 'motherhood' issue and a panic situation by jumping on the bandwagon and getting thousands of dollars of tax money for what amounts to projects of borderline or questionable value.

Don't get me wrong. I appreciate the work that has gone into developing what possible alternatives should

be looked into by this State to prepare for the future and to meet the needs of today for energy resources.

I commend the Finance Committee for making the funding G.O. bond process instead of C.I.P.

I do question some of the money allocated for ocean thermal and wind energy, two areas which I believe are still in the very preliminary research stage and may not be ready for the kind of expenditure we are making.

I also question why we are appropriating money for a number of projects whose Senate bills were killed in the Energy and Transportation Committee here in the House.

In any case, I for one intend to bird-dog this energy program to make dead sure this money is well spent and that no one takes advantage of our concern for development of alternative energy resources at the expense of our taxpayers.

Thank you."

The motion was put by the Chair and carried and the report of the Committee was adopted and S.B. No. 1581-78, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AN APPROPRIATION FOR RESEARCH, DEVELOPMENT, DEMONSTRATION AND UTILIZATION OF ALTERNATE ENERGY SOURCES FOR HAWAII", having been read throughout, passed Third Reading by a vote of 51 ayes.

Stand. Com. Rep. No. 817-78 (S.B. No. 782, SD 1, HD 1):

On motion by Representative Cayetano, seconded by Representative Takamura and carried, the report of the Committee was adopted and S.B. No. 782, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR-BIKES", having been read throughout, passed Third Reading by a vote of 50 ayes to 1 no, with Representative Ajifu voting no.

The Chair directed the Clerk to note that S.B. Nos. 1581-78, SD 1, HD 2, and 782, SD 1, HD 1, had passed Third Reading at 2:07 o'clock p.m.

Stand. Com. Rep. No. 831-78 (S.B. No. 2480-78, SD 1, HD 1):

On motion by Representative D. Yamada, seconded by Representative K. Yamada and carried, the report

of the Committee was adopted and S.B. No. 2480-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RIGHTS OF SUBROGATION", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 29, 1978.

The Chair directed the Clerk to note that printed copies of S.B. No. 2480-78, SD 1, HD 1, were made available to the members of the House at 10:00 o'clock a.m.

S.B. No. 1782-78, HD 1:

Representative Ushijima moved that S.B. No. 1782-78, HD 1, having been read throughout, pass Third Reading, seconded by Representative Aki.

Representative Sutton then rose to speak against the bill, stating:

"Mr. Speaker, as you so well know, the purpose of this bill is to provide for a statutory change which could exclude able-bodied adults under the age of 55, assuming they hadn't married some widow with minor children.

Now, let me just stop there for a minute, Mr. Speaker. How do they pick out of the air the age 55? Certainly up in the AG's office there must be somebody aware of the constitutional implications of *Shapiro vs. Thompson*, 394, U.S., page 618. Mr. Speaker, for a minute, could I read to you the syllabus? The statutory prohibition of benefits to residents of less than a year creates a classification which denies equal protection of the law. Any arbitrary classification violates the inhibitions of the equal protection. Here we are, saying at age 55 - they pick it out of the air, they do not have anything that it conforms to; if they take it at age 65, that would conform to social security for men; age 62, it would conform to the age that women can retire under social security - but, no, they, out of the air, they pick this age 55, an arbitrary attempt to create a new classification.

Mr. Speaker, referring you to *Shapiro vs. Thompson* again, and looking at the inhibitions, may I address your attention in the minority concurrence of our own Potter Stewart, who was a classmate of mine. We recognize that a state has a valid interest in preserving the fiscal integrity of its programs. And so, translated here for Hawaii, we recognize this State has a valid interest in preserving the fiscal integrity of this particular program of public assistance. It may

legitimately attempt to limit the expenditures, whether for public assistance, public education or any other program, but our State may not accomplish such a purpose by individual distinction between classes of its citizens - those of its citizens that are under 55 and those that are over 55. That is your invidious distinction between classes of citizens. It could not, for example, reduce expenditures for education by borrowing indigent children from its schools. Similarly, in the case before us, it must do more than show the denying welfare benefits to those under 55.

Now, let us address our attention to another category here. They are attempting, in the bill, to establish residence. One can reasonably infer that what they're trying to accomplish here in this Senate bill is an attempt to redefine the concept of residence. And having seen how arbitrary their proposition was at 55 years of age, they compound the felony by putting in this. And, Mr. Speaker, if you would turn to page 3, line 11, I'm reading verbatim, 'For the purposes of determining whether persons seeking assistance are bona fide residents of this State, the Department of Social Services and Housing shall consider', not us the Legislature, we're the ones that make the laws. But here's a delegation, an illegal delegation to a department of government. It's not limited to considering the following factors: enrollment and receipt of welfare benefits from another jurisdiction - that's a valid one; a man's receiving welfare benefits from another state - certainly then that's a very fine thing; but, physical presence in this state, next - that's excellent because there's nothing better than physical presence to prove an intent to reside; but then we come to property things - maintenance of a place of residence in this State - what if he's in a hotel? what if he can't get a place to stay? - the availability of furnishings and household and personal effects sufficiently to lead a reasonable person to conclude that his place of residence is more than a public accommodation, that's very difficult evidence to get and can easily be used as a camouflage; qualification as to residence for purposes of voting in this State - well, our elections only come every two years, so maybe he hasn't registered; changes in vehicle operation - there we go back to another property, vehicle registration; bank accounts in this State - another property attempt at an indicia to establish residence.

Let us go back again, Mr. Speaker, if you will, to *Shapiro vs. Thompson*,

the Supreme Court of the United States, and this was the District of Columbia. The District of Columbia is attempting to say that we would have a residence requirement. A residency requirement there was applied against the man named Barley, and Barley applied for and was denied benefits. The denial was on the ground that the applicant had not resided in the District of Columbia for one year immediately preceding the filing of application. Now, the court struck down this durational concept.

The bill before us says you can't make an end run which, for all intents and purposes, is durational. You've got a bank account. You've got to go in and establish a bank account. All this indicia that they give is that you got an accommodation. These take time to do. So, we are trying to do indirectly what the courts have told us directly we cannot do because it is durational. No matter how thin you cut it, Mr. Speaker, it's still bologna.

Now, Mr. Speaker, the Supreme Court of the United States has already told us that the purpose of deterring immigration of indigenous people cannot serve as a justification for a classification created to deny these benefits. That is a direct quote from this particular case. If our law has no other purpose than to chill the association of constitutional rights by penalizing those who choose to exercise them, it is patently unconstitutional. And these are the words in the *United States vs. Jackson*, 390, U.S. 570.

Mr. Speaker, I would like to address your attention to *United States vs. Guest*, 383, U.S. 745. The constitutional right to travel from one state to another occupies the position fundamental to the concept of our federal union. It is a right that has been firmly established and repeatedly recognized. Now, Mr. Speaker, we are part of the Union. We tried for many years to become a state. We were turned down many times. It's almost a pilgrimage. Now we are a state. We have to act like a state and show that we have the maturity of a state and pass laws that are constitutional.

And so, Mr. Speaker, I would ask you and all my colleagues in the room to please vote 'no'."

Representative Ushijima then rose to speak in favor of the bill, stating:

"Mr. Speaker, last week this body passed a House resolution, as well

as a House concurrent resolution, asking the Congress of the United States to have the federal government be totally responsible for all of the welfare programs. This resolution and concurrent resolution expressed concern of a high cost of a part of the State to fund the assistance programs as well as the inconsistencies that existed between the states of the union in the conviction of the general assistance programs.

Today, Mr. Speaker, we have a measure before us, Senate Bill No. 1782-78, House Draft 1, which expresses our concerns in the rising cost of the general assistance programs, which is totally funded by the State's general funds and which applies to conditions in the administering of the general assistance payments to persons who are disabled or are at least 55 years of age or who have dependant children in their homes and who are unable to provide sufficient support for themselves and their dependants.

Mr. Speaker, the general assistance programs presently assist any needy person who is ineligible for a federally funded program provided he meets the categorized requirements of the program. The program which is divided into two groups includes assistance to families with children, known as general assistance families, and childless adults, known as general assistance singles. The average caseloads for both groups has steadily increased since the implementations of the provisions of Act 1, of Special Session of 1974.

Mr. Speaker, in the two-year period the average caseload for the general assistance program increased by 29% for both the general assistance family and the general assistance single caseloads, whereas, the caseloads for the assistance to families with dependent children, a federally funded program, increased by 19%, reflecting a 10% greater increase for the general assistance programs as the figures indicate, Mr. Speaker.

Mr. Speaker, we are concerned about the rising cost in the administering of the general assistance programs. This bill addresses to the program that are totally State funded.

Mr. Speaker, by the passage of this particular bill, it is clearly indicated there is a possibility of saving approximately \$3.3 million. Although we recognize that the restricted provisions of the bill would not apply to those currently receiving general assistance benefits, and even if we cannot assure an immediate savings of \$3.3 million, Mr. Speaker,

it is reasonable to anticipate that realizing this savings should only be temporarily postponed. Furthermore, Mr. Speaker, based on these particular figures, there is a good possibility that caseload will be reduced 20%. Consequently, I ask all of you to support this particular measure.

Thank you, Mr. Speaker."

Speaking in favor of the bill, Representative K. Yamada stated:

"Mr. Speaker, I rise to speak in favor of the bill to address some of the questions raised by the representative from Nuuanu.

What he didn't clearly tell this body was when he cited Shapiro vs. Thompson, the statute that was involved in that case established a durational residency requirement for one year. The statute said you had to reside in the state for at least one year before you became eligible for any welfare subsidies. So, we're dealing with an entirely different concept, Mr. Speaker. What we're attempting to do here is not to establish a durational residency requirement, but establish categories under which individuals will become eligible for welfare subsidies. So the concept is entirely different and this is something that the representative from Nuuanu fails to look at.

As far as the provisions dealing with the establishment of residency, Mr. Speaker, the bill clearly does say that these are some of the indicia which the Department of Social Services and Housing will consider. But it's not limited to just those factors, Mr. Speaker. Those items which he mentioned - maintenance of a place of residency, the establishment of a bank account, voting in the state, change in vehicle operations - these are all only a part of it, Mr. Speaker.

What he fails to advise this group is that there are other ramifications, or other indicia which the Department of Social Services and Housing could utilize.

Again, Mr. Speaker, because this bill does not establish a durational residency requirement, it does not fall within the concept of Shapiro vs. Thompson. That's why I ask all to vote in favor of it."

Representative Say then rose to speak in favor of the bill, stating:

"Mr. Speaker, about two Fridays ago, not being on the Committee on

Public Assistance and Human Services, I was fortunate enough to be at the public hearing which was conducted by the vice chairman.

You know, it's interesting to know about the people who testified at this hearing dealing with Senate Bill No. 1782-78, House Draft 1, and I'd like to concur what some of the fellow representatives, fellow representative from Waianae, stated this past year about a type of bill like this - it's damn if you do, damn if you don't. You wouldn't believe what happened that day when I was at this hearing. There was this young fella from the island of Kauai who came and testified. He was so arrogant at the members of this committee; that he's from the state of Massachusetts; been here these past two years; once he got off the airplane he started collecting on the County of Kauai; has three young kids, I think it's two boys and one girl. I asked him a question about how does it feel bringing up three kids and just being on welfare and just living off the State. He told us that he enjoys it. He enjoys doing that! He's abusing the system, to me. I said I think he's re-enforcing it upon his kids. But then he tells us no, he's not, and this is the way he wants to bring up his child.

So, I brought up an example about the district that I represent, that I grew up with a lot of friends who do live in the public housing. I ask myself, why am I here today, given the same opportunities as them and then they're back home just doing what their parents were doing before, collecting welfare, general assistance, and what have you? From my own personal view point, I think it's the family that plays a major impact upon this type of general assistance or welfare.

I believe that with this measure we have here today, I know it's going to affect a lot of people who do need it, and I know a lot of people in the district that do need this. But, I believe it's a start for all of us to use it as a bouncing board; come back next year, in 1979, if I do come back, and hope some of you do come back too, that you can see if this bill has accomplished what its goals were and its objectives. If it has not, fine, you can just amend it, revise it, or what have you. But, to me, I'd say this is the beginning of trying to really getting rid of the abuses and the frauds which are in the present system right now.

So, I ask for your favorable support."

Representative Sutton then rose and

stated:

"I rise in rebuttal."

The Chair then directed Representative Sutton to "proceed. And will you please watch your time."

Representative Sutton replied:

"I have a couple who will yield me ten minutes here. One is Representative Lisa Naito who has never failed me."

The Chair then stated:

"I'm sure the other will be Representative Kawakami, who is not here also. Proceed."

Representative Sutton proceeded, stating:

"I consider Representative Kawakami a very lucky man.

There is no dispute, Mr. Speaker, that the effect of the waiting period requirement, and I'm quoting from *Shapiro vs. Thompson*, which has been challenged, was to keep people out of the jurisdiction on the basis of a sole difference. The first class is created and granted privileges, and the second class is denied welfare aid on which may depend the ability of families to obtain the very means to subsist food, shelter and other necessities of life that our own Representative Calvin Say has just brought out.

In each case, the District Court found that the appellant met the test of residence in their jurisdiction as well as all other eligible requirements, except the requirement of residence for the durational period set out in the statute.

On reargument at police central, contention is that the statutory prohibition of benefits to residents of less than a year creates a classification which constitutes an invidious discrimination, denying them equal protection of the law as guaranteed by the 14th amendment.

Now, primarily, appellants justify the waiting period requirement as a protective device, just as we have established here, as the gentleman from Manoa has just indicated - protective device to preserve the fiscal integrity of a state public assistance program. It is asserted that people who require public assistance during their initial residence in the state are likely to become a continuing burden on the state welfare program; therefore,

the argument runs if such people can be deterred from entering the jurisdiction, as we admittedly are trying to do here, by denying him the welfare benefits, then for all intents and purposes, a substantial influx of indigent newcomers will be averted. That is a very weighty argument, the District Court says, but it is not a constitutionally valid argument because we have constitutional inhibition.

In the *United States vs. Guest*, the constitutional right to travel from one state to another; and this is a fundamental concept of our federal union; we do not have fifty walls around fifty states, bound together by a constitution; we have this right to travel. The reason it has been suggested is not in the Constitution per se, and has come around by adjudication. It's so elemental to the concept of the federal union of fifty states bound together by a constitution. In any event, Mr. Speaker, freedom to travel throughout the United States has long been recognized as a basic right under the Constitution. Thus, the purpose of deterring the immigration of indigents cannot serve as the justification for an arbitrary classification.

If this law has no other purpose than to keep people out of Hawaii, we have put on the books an unconstitutional statute, Mr. Speaker."

Representative Abercrombie, upon being recognized, stated:

"Mr. Speaker, I'm speaking against the bill.

Mr. Speaker, I feel that we once again are moving into a circumstance where we do not want to address the real problems and so we want to avoid them by giving the appearance of dealing with them. In this particular instance, I think it would be extremely unfortunate if we were to vote this bill into existence on the basis of notorious information.

One of the representatives has referred to people, at least one individual, who has testified at a committee hearing. The manner in which someone addresses a committee, the reasons for their addressing of a committee, should in no way affect the vote on a committee or one's conclusions concerning the efficacy of a bill, most especially when one finds oneself emotionally disturbed over the kinds of testimony that people are presenting on a bill. I think it's at that time we must closely watch yourself to be making sure that you are taking an objective viewpoint, one which will reflect the legal and subsequently, of course, the public interest necessities.

I indicated to a young man who spoke with me this morning on another area, after one of our hearings this morning, that if one was dealing with the crime rate and wanted to cite psychopathy . . . cite the crimes of psychopaths, one would need only five or six psychopaths, perhaps one or two psychopaths, people who were committing notorious crimes to emphasize something about the crime rate or the crime problem. It wouldn't necessarily reflect the realities of the crime problem at all. It would reflect what was notorious. If there are individuals who are abusing the public assistance circumstances, those individuals should be stopped. Those individuals should be removed from public assistance. But to cite notorious cases as a justification for doing something which may be very shaky, constitutionally, or maybe shaky or perhaps not just devisive but countra-indicated in terms of the public interest, the citation of notorious cases will do us little good.

On the contrary, I think what we should do is follow the suggestions that have been made in the past in respect of not only residency as a question and a problem for us to deal with, but general assistance as a problem to be dealt with in a monetary fiscal sense; that we look for a genuine solution rather than that which might be politically palatable, but nonetheless not a solution which will leave us in any better stage than when we entered upon voting on the bill.

Thank you."

Speaking in favor of the bill, Representative Lunasco stated:

"Mr. Speaker, the welfare program, many years ago, in fact it started during the depression days, started off as a good samaritan thing, being that during the depression most of our constituents or people in the United States were out of work.

Unfortunately, Mr. Speaker, whether the intentions were good or bad, people are people and will find a way of abusing the system. And in enacting a law, unfortunately, you cannot apply to the abusers only. It has to be applied generally.

Unfortunately, Mr. Speaker, if we didn't have any problems within the welfare system, I'm pretty sure bills like this and bills to come in future years would not be confronted by the Legislature. We're trying, day in and day out, to find some of the solutions to decrease the rising

cost in the welfare system, and every time we try to do something, some of our well-known lawyers in this House always quote the courts or some kind of legal case that are pending before the judicial system.

All I have to say, Mr. Speaker, is that let us pass laws that, you know, on the basis of merits, and whatever the courts are going to do, let them decide later."

Representative Say then rose and stated:

"Mr. Speaker, I rise to speak in favor, with a few addendum.

I've respected a great deal of the members of this House, and I've respected the two fellow colleagues who have spoken against this measure. But, one thing I'd like to say this afternoon is first, that we all take every testimony seriously as possible at a public hearing, and maybe it may be a notorious case. What got me very upset that afternoon was the point that he told the committee that afternoon that he wrote to the HEW of the federal government asking for information about where are the states that have one of the laissez-faire type of public assistance. And the State of Hawaii was number one on the list. And that's why he came here.

I'm not discriminating against people who want to come over here. All I'm concerned about is the public of this State, the people who are contributing to this State. If a person is not going to contribute to this State, I don't think he belongs to this State.

I've really respected the two fellow colleagues from Nuuanu and Manoa, and one thing I would like to address, maybe I shouldn't address the question, but one thing I'd like to say, they've been in office for four years, this is my second year, and maybe they could've come up with answers. At least this is part of an answer I'm saying to them.

So, thank you very much."

Representative Abercrombie then rose and stated:

"Not rising in rebuttal, but continuing, if I might, asking people to vote against the bill.

I quite agree that there should be answers. I think in another form and another place. I could elucidate as to the answers that I've particularly tried to provide; that is to say, that is a legitimate question.

What do we do under these circumstances? I think Representative Lunasco made the same point, what are we to do? My only concern, and I wish to reiterate it again, is that it is not an answer. It is not an answer to pursue such a course. There may, in fact, be such answers so long as we pursue courses of action which are ostensibly answers to questions, but are really a way of avoiding the answers to the questions we will never be able to ask; not only the questions, but make a realistic attempt to provide the answers in the manner which was just inquired of by the previous speaker. That is the, if you will, the philosophical basis upon which I base my negative vote."

Representative K. Yamada, upon being recognized, stated:

"Mr. Speaker, I rise to speak in rebuttal of the previous legal arguments given by the gentleman from Nuuanu.

He quoted from Shapiro vs. Thompson again, Mr. Speaker. If the gentleman from Nuuanu were to look very closely at what he quoted, he would have found the answer in that. Although this is not an exact quotation, paraphrasing it, Mr. Speaker, he said that the petitioner met the residency and other requirements except the durational requirement. Again, I stress, Mr. Speaker, we're not concerned with a durational requirement here. All we're looking at is the first, the residency requirement.

And in respect to that, Mr. Speaker, he quoted, or rather he cited U.S. vs. Guest a number of times. Well, let me give him a more basic case to deal with, Edwards vs. California, when the Supreme Court first dealt with the right to travel.

In any case, Mr. Speaker, we are not attempting to prohibit people from coming to the State of Hawaii. We just want to make sure that when they come here, and before we give them welfare subsidies, that they're going to be residents of the State.

Thank you."

Representative Cayetano then rose and asked:

"Mr. Speaker, will the vice chairman of the committee yield to a question?"

Representative Ushijima replied in the affirmative, so Representative Cayetano asked:

"The bill provides that public assistance

may be made available to eligible persons who are disabled, or at least 55 years of age, or have dependant children, etc. Would you ask the vice chairman what assistance is available to a person who is disabled, or at least 55 years of age, who is not a resident and who has made an effort to come to this State?"

Representative Ushijima replied:

"In answer to the question, Mr. Speaker, there are many federal government programs available. There are federal government programs sponsored jointly with state governments in which one is eligible to receive benefits from."

Representative Uwayne, speaking against the measure, stated:

"Mr. Speaker, just about one minute ago, I was all ready to vote for this bill. But listening to what has transpired during the debate right now, I find myself in a position that I have to take a very responsible position.

I know it's going to be a very difficult position to take to explain to my constituents but, Mr. Speaker, I too grew up with people in elementary school through high school who had been in this clinical position with their family who drew welfare.

But, Mr. Speaker, it will be very unfair for me to say that many of these people who are on welfare enjoy being on welfare. I think many of these people, and my friends as well, are striving to become good citizens and become responsible and to get jobs and go off the welfare system.

But, Mr. Speaker, as far as another previous speaker's remarks about this is a good samaritan bill or the whole intent of welfare was, Mr. Speaker, I think it's the responsibility of this nation as well as this State. And in that sense, Mr. Speaker, I'm going to vote 'no'.

Thank you."

Representative Suwa then rose to speak in favor of the bill, stating:

"Mr. Speaker, I think I'd like to sum it up by saying that at the present time, our welfare program is a liberal one. Some privileges have been abused and what we intend to do is to check that abusiveness that takes place and yet not to hurt the needy. What the bill intends to do is to have another avenue that the department shall by

rules adopt pursuant to Chapter 91, establish standards for the foregoing conditions and requirements. So, anyone that's under this bill who may have complaints, they can do so at the proper time when they have the rule-making process.

Thank you, Mr. Speaker."

The motion to pass S.B. No. 1782-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE", on Third Reading, was put by the Chair and carried by a vote of 44 ayes to 7 noes, with Representatives Abercrombie, Baker, Cayetano, Stanley, Sutton, Takamura and Uwaine voting no.

The Chair directed the Clerk to note that S.B. No. 1782-78, HD 1, had passed Third Reading at 2:47 o'clock p.m.

At 2:47 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 2:48 o'clock p.m.

Stand. Com. Rep. No. 799-78 (S.B. No. 1622-78, SD 1, HD 1):

Representative Garcia moved that the report of the Committee be adopted and that S.B. No. 1622-78, SD 1, HD 1, having been read throughout, pass Third Reading, seconded by Representative K. Yamada.

Representative Kamalii then rose and stated:

"Mr. Speaker, I have an amendment to offer which has been circulated by the Sergeant-At-Arms."

The Chair then asked:

"Mr. Clerk, has the amendment proposed by Representative Kamalii been distributed?"

The Clerk replied:

"Yes, it has been circulated."

The following is the amendment offered by Representative Kamalii to S.B. No. 1622-78, SD 1, HD 1:

"SECTION 1. Senate Bill 1622-78, S.D. 1, H.D. 1 is amended as follows:

1. By deleting at lines 16 through

20 the following item:

[Reinecke, John E. and Aiko T.
Civil No. 53162, First Circuit
Date of Judgment: March 15,
1978

Amount of Judgment:
\$250,000.00

4% Interest
\$3,780.82 - \$253,780.82]"

Representative Kamalii then moved that the amendment be adopted, seconded by Representative Ajifu.

At 2:49 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 3:05 o'clock p.m.

Representative Kamalii then rose to speak in favor of the adoption of the amendment, stating:

"Fellow colleagues, I specifically refer to the last item on page 10 of this bill, Senate Bill No. 1622-78, which would award a settlement of \$253,780 to John and Aiko Reinecke.

I moved that this item be deleted from the bill not only because it is entirely inappropriate, but because all of us here on the House floor know what kind of a wild precedent we're setting here!

We're leaving the door wide open to all kinds of claims against the State once we pay money out past the statute of limitations. If that's our intention, then let's repeal the whole theme. However, making exceptions for special interests like this is ridiculous!

This State would go bankrupt if we made excuses for everybody who's ever been discharged from the public employment unfairly prior to our enactment of statutory protections.

I think we have to look at this in a broader perspective, not without compassion for the individuals involved here, but with the idea of facing the facts of life - yesterday's mistake is a cancelled check.

We can't afford to start trying to make up for these kinds of actions which took place so long ago and whose statute of limitations, according to our law, has since run out.

They had access to court appeal, and I sincerely believe that it is unfair

to all the others who may have suffered employment injustices if we allow this bill to pass without deleting this particular monetary award.

Not all the people in the State could afford the kind of legal minds, the political backing that they have had.

I urge passage of this amendment."

Representative Carroll then rose to speak in favor of the amendment, stating:

"Mr. Speaker, I have before me a letter from the Office of the Attorney General, and it's signed by Nelson Chang, for Charles Fell, deputy attorney general - the memorandum to yourself, Mr. Speaker, and to Senator Ushijima. I presume this memorandum went to every member of this House.

"The subject of this memorandum is a brief explanation of some of the factors which indicate that the settlement of Civil Number 53162, which is John E. Reinecke and Aiko T. Reinecke vs. the State of Hawaii, indicate that settlement of that matter 'for \$250,000 was in the best interests of the State. Liability was considered to be relatively clear in light of the waiver of sovereign immunity and the statute of limitations defenses by Act 161 of the 1977 Session Laws.' The deputy goes on to state that 'the strongest basis for liability from the plaintiffs' perspective was the denial of procedural due process.' He states that 'the test to be applied in order to determine compliance or non-compliance with the procedural due process requirements under the United States Constitution is as follows: whether the totality of the circumstances indicates the probability of unfairness and prejudice against the Reineckes' and cites a case. The United States Supreme Court has long insisted that no one be punished for a crime without a charge fairly made and fairly tried in a public tribunal free of prejudice, passion, excitement, and tyrannical power. He goes on to state that 'in light of the findings of the Department of Education and the investigation conducted by the Office of the Attorney General, it is this author's opinion that there is a probability that the procedures employed by the Department of Public Instruction created unfairness and prejudice against the Reineckes, and that the same could be proved at trial.'

He goes on, 'it is now settled law that a violation of a Constitutional right can result in money damages'. He cites two cases with no money amounts included. 'In the usual case,' he cites the 'Office would assert that money damages for Constitutional violations cannot be awarded against the sovereign State, but the waiver of the defense of sovereign immunity by Act 161,' which we passed out of here and which, incidentally, I voted against, 'precludes such a defense in this suit.'

'The next issue', he says, 'then is the size of the probable judgment. After reviewing recent Hawaii judgments involving serious mental distress, it is anticipated that the probable amount of a judgment in this case would be approximately \$600,000 to \$650,000. These figures include approximately \$260,000 for the present day value of the net lost wages, and substantial sums for general damages and attorney's fees consistent with similar awards in recent Hawaii cases.'

And, 'it is therefore submitted that the settlement amount in this case is a fair and reasonable one for the State.'

Now, Mr. Speaker, this particular memorandum is so short, in effect, that it's hardly worth reading.

Number two, they are talking about a trial for criminal act, and the Reineckes' position was not that they were on trial, as I'm certain that other persons will claim, but rather they were discharged for very specific reasons. They were afforded administrative due process according to some, and not to others. In any event, the matter was administrative. It was handled administratively, and the question as to whether or not this was handled administratively is really the one for the attorney general to have answered. There's not one shred of evidence which they have submitted to us to indicate that such was not the case.

Now, I submit, Mr. Speaker, that the Reineckes had two of the very best attorneys in this town, namely, Harriet Bouslog and Myer Symond. And I think I can reasonably, or with reasonable assurance, assure this legislative body that if this case was worth \$650,000, neither Myer Symond nor Harriet Bouslog would have urged the Reineckes to accept a penny less.

Now, Mr. Speaker, as far as I'm concerned, this is a matter which has been railroaded through. It's attached to a bill. It's an affront to the people of this State to force them to pay this money to the

Reineckes.

I submit that the amendment that has been submitted by my colleague should be passed and that this line item should be dropped. I urge all to vote for this amendment."

Representative Suwa then rose to speak against the amendment, stating:

"Mr. Speaker, I take exception to some of the remarks that have been made, but, nevertheless, I let it go. But pursuant to Chapter 622, Hawaii Revised Statutes, judgment against the State in the Santa Monica claim, and this vehicle is the right vehicle pursuant to the request made by the budget director, and the inclusion of that amount to the said bill.

Also, Mr. Speaker, following the Circuit Court of the First Circuit, State of Hawaii, Civil Number 53162, John E. Reinecke and Aiko T. Reinecke, plaintiffs, vs. State of Hawaii, defendant, the judgment was made pursuant to the stipulation for entry of judgment entered into between the parties thereto. This stipulation was approved by the Court. It is hereby ordered and adjudged that the plaintiff, John E. Reinecke and Aiko T. Reinecke, are hereby granted judgement on Count 1 of their complaint against the defendant, State of Hawaii, in the total amount of \$250,000. It is further ordered and adjudged that the defendant, State of Hawaii, is hereby granted judgment against plaintiffs on Count 2 and Count 3 of their complaint therein. Said Count is hereby dismissed with prejudice and plaintiffs to take nothing therefrom. And, Mr. Speaker, it is dated: Honolulu, Hawaii, March 15, 1978, signed by Judge Fong and approved in behalf of the plaintiffs' attorney, Harriet Bouslog.

So, Mr. Speaker, I don't think it's anything that we are doing shady here. It's something that is rightly judged, in terms of our procedure in the court system, that the Reineckes should have that award. And I think, in my own judgment, not being an attorney and reading some of the material, I think as Finance Committee chairman, I think we got out very cheap.

I think there's some question as posed by the opponent, as to whether we went through the right process as to the court, but I think we passed Act 61, instead of the

legislative side in the amount, I think we gave the court and I think that's the right area that we should be judged, and therefore, I ask the members to turn down the amendment."

Representative Kunimura, speaking against the amendment, stated:

"Mr. Speaker, I speak against the amendment, not for personal or emotional reasons, but if I may take the members of this House back when this whole case started - I'm pretty sure the gentleman from Waikiki was not around here when this matter was started - but we have the kind of atmosphere in Hawaii that members of the House here today, if you were subjected to even to take a glimpse at it or live one minute of it, I'm pretty sure many of us would wither and die. We had a semi-feudalistic system here. Our lives were not according to our desires. And because these things were made reference to, about being railroaded, if you really wanted to see an efficient railroad, you should've lived in Hawaii then, because everything was by railroad timing.

There were only a few people in Hawaii that had the power and the access to the powers to be to dictate to the masses of Hawaii, and I lived through that period. I was a very young man, Mr. Speaker.

I've had the opportunity to meet the Reineckes and their effort to help us to throw off the shackle of this semi-feudalistic system. And for those things and for the love of the children of Hawaii that they taught, when John was at Farrington, how to be and how to fight for their American ideals. And for these basics, what we call today, that we don't even think about, the basic things, they were persecuted.

Yes, the statute of limitations has run, but the conscience of the Legislature, last year, reviewed the whole matter. They wouldn't have had a chance in a, you know . . . an ice-breaking chance, you know, in a hell, to survive if they went to court and appealed at that time because of the hysteria - not only the government of Hawaii, the Territory, but the national government.

We have men like Senator McCarthy that made even Jesus Christ, called Jesus Christ the communist, Abe Lincoln, George Washington and everybody else. We had a nut in Congress and several more half-nuts supporting him.

But we've gone through the entire year, and now we live in the '70's. But one thing about America that has searched our conscience, although it was done during the territorial government, in the period of the territorial government, because government and it's obligations up in perpetuity, that we pay for what we've done so long ago. We weren't around. Some of us weren't even allowed to vote.

Mr. Speaker, the accusation of railroading, I think, is outrageous. This matter, statute of limitation, and the right of the sovereignty was weighed. This matter was submitted to court. We have had claims against the statement filed after this claim was taken up, and the reason for that is the Finance Committee welcomes, up to the last minute, so that we don't have to pay, first, additional interest, and second, that those who deserve the judgment will get early relief.

Now, one very, very serious inuendo thrown at two very great attorneys of this State, that are labor attorneys; the statement made that the kind of unscrupulous nature of these people. Mr. Speaker, I know Harriet and I know Myer. They are fighters; fighters for the underprivileged. Of course, if the Reineckes were young and they had many more years of expected life, I'm pretty sure they would've gone all the way. But knowing their physical condition and their age, why shoot for the star and win it and then go through a long and lengthy appeal. Maybe they wouldn't be around here to enjoy even a small, very small piece of what is rightfully theirs. And for this reason, this other human side, they did not care about their contingency fees. They had an agreement. The bigger the settlement, the bigger the fee for the attorney. I'm pretty sure the gentleman from Waikiki knows that. But, there are attorneys in this State that put human needs and human feelings before bank book. And these are the reasons, because I talked with Harriet. You know, I said, 'Hey, you settle quick.' And she told me the reason. It was Aiko and John's wishes also.

And what we are doing today, Mr. Speaker, is the final culmination, the last act to undo a great injustice done to two decent Americans, and they were just unfortunate that the hysteria caught up.

One of the members of the school board, I know because I testified before the school board on behalf of the Reineckes, she's not here. I wish she was because she'd die again.

So, I urge all members to support the retreat of this chicanery."

Representative Sutton then rose and asked:

"Before I speak, can you resolve a conflict?"

The Chair then asked Representative Sutton to "state your potential conflict."

Representative Sutton replied:

"I was the law clerk of Federal Judge Delbert Metzger when the original case against Dr. Reinecke was fought."

The Chair ruled "no conflict".

Representative Sutton then rose to speak in favor of the amendment, stating:

"Mr. Speaker, there has been presented to this body a very conclusive, very well thought out debate. I just have one addition to that debate, and I think that the two adversaries on either side have presented the picture from an adversary point of view exceedingly well. There's only one thing, our Constitution has an inhibition against any special legislation. They can't pass a law and say go give a quarter million dollars to Ike Sutton. They can't do it. That would be special legislation.

The thing that bothered me was that Mr. Fell from the Attorney General's office, came before the Finance Committee, headed by our own Jack Suwa. The question was put to him by Representative Dods, and I will quote him verbatim, 'How come you folks you settle before you had any evidence?' In other words, Mr. Speaker, there was no evidence presented to the court. There was no trial. It was an out of court settlement. I am told the reason for that is that it's so expensive to get depositions and it's so expensive to start a trial.

Well, Mr. Speaker, you and I make a living getting depositions and going into trial. In fact, many years ago, I stole a murder one case away from you by going into the judge's chamber."

The Chair remarked:

"Representative Sutton, those are not facts."

Representative Sutton then stated:

"It was \$750 worth of facts.

But, Mr. Speaker, I wish our Attorney General, when he was representing the client of the sovereign State of Hawaii, would go in there and scrap. These people are experts on settling out of court and making dismissals, and I wish they'd go in there and scrap.

Thank you."

Speaking against the amendment, Representative Lunasco stated:

"Mr. Speaker, let me take the members back to last year. We've had numerous options of how the Reineckes could settle their case, and I think at that time most of us agreed that we should let the courts settle it. We felt that would be a cleaner way of doing it. And now, we're here, after a case that supposedly had been settled in court, we're here eliminating the settlement.

You know, sometimes I kind of wonder, being a member of this body, at one point we argue to take it to court, and the other one, we try to settle it here as judge and jury.

Mr. Speaker, I think many times we rely heavily on the court's decisions, in their judgments, and I think that this is not unfair, it's something that we decided last year. And if the members felt that it was unfair, I think that last year we shouldn't have passed that bill allowing the Reineckes to sue the State because, as you know, at that time the State did agree that there was wrongdoing on the part of the State and this is why that bill was passed, to allow the Reineckes to sue the State and whatever restitution they could get. I think this is the aftermath of what we did last year. I think it's only fair to pay the settlement which they settled on."

Representative Carroll then rose in rebuttal of "certain comments made by the senior representative from Kauai", stating:

"First of all, Mr. Speaker, I was around at the time when this matter was boiling and I recall my concern about the matter at that time and I would like you to know, Mr. Speaker, and everyone else here, that I had not made up my mind, with respect to this matter, until Dr. Reinecke made a public admission to that with which he was theoretically charged. So, I'd like the record to be clear

on that.

The second thing is that I made an innuendo. But I don't think that it was an innuendo regarding Harriet Bouslog in my assignment. I, too, know that. I practiced law with them. I think that it's a vicious attack to imply something to what I said that is not in fact what I said. I talked about their expertise and their abilities which I know very well, and I've actually been tutelageed somewhat by Mr. Symond. So, I resent that and I expect that perhaps emotions run high on this matter, but I find that that kind of a comment has no place on this and I reject that comment.

Finally, Mr. Speaker, I do not find any fault with the process as far as it goes. The stipulated judgment is a way of bringing this matter before the Finance Committee. I'm not faulting the Finance Committee chairman for his including this matter there. The only thing that I am faulting, with respect to this matter, is the simple fact that this entire matter was supposed to come before this House for ratification, and that is where it is, and we have every right to speak on it. I don't like the idea of being clutered by heavy-handed emotional pressure.

And finally, Mr. Speaker, the fault, as far as this particular matter is concerned and the reason for this amendment here, is not to deny or to give right, but simply to insure that justice is being done. And as has been noted by the representative from Hawaii Kai, and as has been noted by others, this case was not pursued. The evidence was not gathered. There is nothing before the court that it was ever tried. The thing was simply railroaded through. And I'm not saying it was railroaded in the sense that it was done underhandedly or by chicanery or disguise. But, it was done quite blatantly. And this is the matter that I object to and I'm sure that many citizens of this State feel a deep affront that this matter is being held in this way. The responsibility is on our shoulders to see that justice is done. And we're not going to have justice done if we don't amend this bill."

Representative K. Yamada then rose to speak against the amendment, stating:

"Mr. Speaker, there's been allegations made that this is a special interest legislation. But let me suggest that all of Senate Bill No. 1622-78 then would become a special interest legislation. This is an attempt to settle all those claims against the State, through the Legislature, and that's where this particular bill is.

As far as the claim that there was no evidence presented, Mr. Speaker, I would like to take you back a few years. As you recall, the Department of Education had conducted lengthy hearings on this matter and they were also advised by the Attorney General's office. In addition to that, Mr. Speaker, they had materials which were presented to the Board back at the time that the Reineckes were tried. So there was a great deal of evidence which the Attorney General's office had. And to say that they had no evidence, they presented no evidence in court, at this point, I think it's simply second guessing the Attorney General's office.

Mr. Speaker, I think we're bound by last year's decisions when we raised the statute of limitation. And in quoting, let me just summarize what I see is happening here before us today. Last year, we told the Reineckes they can sue us, go to court and sue us. This year, by this particular amendment, we're saying that although you can sue us, we're not going to pay.

Thank you, Mr. Speaker."

Representative Larsen, upon being recognized, stated:

"Mr. Speaker, I would like to speak for the amendment and bring out the reason that I voted for this last year.

It was clear in my mind that we gave these people the okay to go to court. That's what I voted for. I voted against paying them an outright grant of \$267,000. I voted that down. We had long detailed hearings in Finance Committee meetings. I presented my objections to it, but I did agree with the recommendation of the Finance Committee chairman that we give them the right to go to court to prove that they had been maligned or been kicked out illegally. And that's what I wanted them to do in court. We had recommendations from the Attorney General that yes, they had been abused and we should give them the right to go to trial. In my view, my limited legal view, going to trial, to me, was going in front of a full court, with a jury, etc. Well, I understand that trials can go in front of judges. Okay, so I accept that. But, when the same Attorney General comes back to us and tells us yes, we gave you the recommendation to go to trial last year, but now we're giving

you a recommendation to settle. To me that is not going to trial, Mr. Speaker. Now, we can put any kind of word phrases around it, if you want, but to me it's a self-serving position. The Attorney General tells us yes and then he tells us okay, we're settled, here it is, take it or leave it. Well, I object.

Thank you."

Representative Peters then rose to speak against the amendment, stating:

"As the previous speaker has indicated, we did in fact allow for the Reineckes to take this matter to the judicial process. It seems to me, Mr. Speaker, and I'm not a lawyer, but if I had to represent someone, and if I found that it would be in the best interest of my client for us to settle out of court, I would do so. And that's part of the judicial process. It's clearly indicated by the Attorney General's office, when they came before Finance, that if it did not settle out of court, the possibilities were great that the State would be paying more than twice the amount that you now see in this bill. And sure, if we went along with the amendment now, we still have to pay the interest, 4% every year, as long as we want to wait. And that's not being responsible either.

It's very clear, as indicated by Kats, and even Representative Takamura, that the Board of Education did have their hearings. They're the entity in this process who inflicted the injustice on the Reineckes, and they've clearly indicated that the previous actions of the Board, in those years, were unjustified. It seems to me that the case was against the State to begin with, so why go through the judicial process only to reapprove this again and end up paying more than what you now find in this bill. To me that's not reflective of the best interest and welfare in this State.

This particular bill, I object to the bill. I don't think it's enough. I know if I had to be subjected to the similar kind of circumstance, I would shoot for the hill. I'm young now, sure, I got a lot of years to go. And as reflected by Representative Kunimura, the Reineckes are old. They don't want to wait that long. I find them, perhaps, a little more fair, a little more reasonable than some people who have made some rather adverse remarks on this floor to date.

Thank you."

Representative Kamalii, upon being recognized, stated:

"Just a few words.

Let's face it, you know, we can talk about the rights and wrongs, but I still say that the fact that we passed the bill last year in good faith, according to the majority of this body, and then to have it settled out of court, and we're going to justify it, that it's perfectly alright to settle this out of court. Well, maybe we ought to wait until next year and pay the 4%. We might have a shake-up in that AG's office and get some smarts up there. And we might win a couple of cases.

So, you know, think about it. Be prepared for the other out of court settlements that we're going to have to pass. The mark is the \$3 million. Maybe we ought to let that sit for awhile."

Rising to speak in favor of the amendment, Representative Narvaes stated:

"Mr. Speaker, last year when this issue came before the Finance Committee, and there was a big discussion on it, on the issue, and, of course, there was a lot of debate. But, for the first time, I saw, what in my personal opinion, was the Attorney General coming and testifying in favor of the Reineckes. Now, to my knowledge, the Attorney General was supposed to represent the people of Hawaii and not the Reineckes.

And now, I learned today, maybe because of negligence, I've only learned today, but that this has been settled out of court. Gee whiz, I didn't vote in favor of releasing the statutory requirements on this case at that time so that this case could be settled out of court. When I voted in favor of that bill last year, releasing the statutory requirements, I expected that this issue would have gone the full judicial procedure and not settled out of court. It seems, again, we have an Attorney General that is again representing the Reineckes and not the people of Hawaii. I really do want to see the Attorney General represent who he is supposed to represent, and that is the people of Hawaii."

Representative Takamura then rose to speak against the amendment, stating:

"Well, it seems to me, Mr. Speaker, that time and time again we come back to the question about the Reineckes and, you know, if people lack confidence in the way in which the Attorney General

has handled, you know, the cases, then actually the people should withdraw the amendment and vote the whole bill down. Because if the AG's office doesn't do a good job on this one case, what makes you think they're doing a good job on the others? Okay?

The second point, I think, and to me the more important point, is that to my mind, you know, the \$250,000 by no means represents a fair judgment. It doesn't seem to me that there's any way you can take an amount of money that would make up for the years of poverty and hardship and humiliation that I think the Reineckes were unjustly, you know, had to endure. However, and as far as I know of knowing John and Aiko, the question for them has never been money. You know, they've always mainly sought vindication and their reputation as being re-established in the community and the clearing of their record. But, I think that the money is important because I think it should be a comment and a reminder to those of us public officials that we do have a responsibility to see that justice is done. And just as we demand that other people pay a price when they commit injustices and wrong, that so we also should be willing to pay that price when we commit wrong.

And you know, many people have mentioned that this was a kind of a law, heavy law and order session, and I myself know that there are many bills that have come before this body dealing with just that issue, and I think that we should be, you know, fair. And when the State is at fault, then I think we should be willing to pay the price that is demanded of us in order to rejust that fault."

Speaking against the amendment, Representative Abercrombie stated:

"Mr. Speaker, I, you know, it saddens me that my friends from Waikiki feel that this amendment should go through. I don't think anybody has gone after the Attorney General, or I would venture to say that I could stand next to anyone who has had his or her doubts about the capacities, abilities, policies, or whatever of the Attorney General's office. So, I think I'm perfectly entitled to say that when remarks are made that the Attorney General is representing the Reineckes, that this is a simple distortion of reality. What the Attorney General is saying, if I understand the Finance chairman correctly and the request of the court which was granted, was that the State stood to lose a lot more if this order was not granted.

Now, if you disagree with that judgment, that's fine, but let's leave the Reineckes out of it. Let's take it up with the Attorney General. These people have suffered enough abuse over the years without having had that added to it. Let's try and think a little more clearly, because the Reineckes have never asked anybody to do anything, the Attorney General or anybody else. This has been done, and what has been done to this point has been done as a way of trying to make up to them for the injustices that they suffered. They're looking for vindication. We will never see the day that John or Aiko will come to anybody and say yes, please try and take care of me on this. Never happened. Never will happen. I knew these people for years before I even knew that this had happened. They have suffered in silence. Their forbearance and tolerance of the circumstances in people that so viciously and brutally attacked them, that saw on their mind that our constitutional system is such that their equanimity of spirit was such that we could all learn from it. So, let's have that point straight.

They did go to court. The court has made a judgment. Again, why are they being abused because a settlement has been made? I don't understand it. Why are they the ones that are up? They did go to court. They have a judgment. The Finance chairman just read us the judgment from the court. They didn't write the judgment. The court wrote the judgment. Lawyers may have indeed urged upon them that some amount of money, I don't know, or other than this be accepted. But I venture to say, as long as we're in the realm of speculation, that they've probably indicated that that was alright. They didn't want that. They wanted vindication. And I want to indicate one more thing in that, respect. And this may have something to do . . . it may tell you something about the Reineckes as well.

My best estimation is this settlement is approximately the wages they might have earned - not even in retirement; not in everything else - the wages they might have earned. My information also is that they must pay state and federal income taxes on it, after all these years. That's the kind of people, the kind of character that these people have; the kind of integrity; they're not just taking \$250,000, they're going to pay income taxes on it. The income taxes they would've paid had they been paid the wages they should've been paid all through the years that they could've been and should've

been working.

Now, let's not forget the circumstances either. The circumstances were, as other people have put it on the floor, political oppression, because of someone's opinion, because, or not even necessarily one's political opinion, but what one assumed what one's political opinion was. And because that assumption of political opinion was not in favor, one could not work, one could not eat, one could not live except as best as one could. I'm not sure that I would've had the fortitude or spirit that these people had, nor the forbearance and forgiveness. It has always been my . . . that I have always enjoyed, in my contacts with them, they forgave me all the time, even more than the Majority Leader does, or the Speaker. When I'm rushed, or in haste, or issue oaths, or perhaps even on occasion speak harshly, the Reineckes have always been, when they were in the path of that particular discussion, calmed me down, indicated to me to think a little more about it.

John Reinecke's a lot smaller than Representative Peters. And I say this, in bringing this to your attention, not because of nostalgia about it, but to indicate what we're dealing with here. We're dealing with two human beings who have been deprived - deprived of their constitutional rights.

And so I want to conclude my remarks on this, because this is a notorious instance, by reading to you, and I suppose it's fortuitous, the text of a letter that I am sending to the editor of the HONOLULU ADVERTISER in response to a letter written by a citizen of this State just this past weekend, titled: 'Legislators Criticized'. And the text of that was that now that we are being taxed to pay the Reineckes a quarter of a million dollars, I think our government owes us something. I don't remember a single politician campaigning or being elected on the issue if we owe it to the Reineckes, nor do I remember a poll showing support for such payments. No, the whole movement seemed to be sustained by forces within the capitol. Perhaps our legislators were confident that in voting to waive the statute of limitations in order to allow the Reineckes to sue us, they were only fulfilling our desires to see justice done. Perhaps, but as a gesture of good faith, I would like to see each legislator who did not oppose the waiver to poll his constituency. If the majority supports him, his position has been upheld. If it does not, then let him resign or pay his constituents' share of the

bill. I think all those questions are legitimate and are direct reflection. In fact, some of the remarks in here are almost word for word, no doubt coincidentally, the justification of this amendment.

And, therefore, I would like to read my answer: I've read your letter of March 24th, 1978, in the ADVERTISER with interest. You asked that individual legislators respond to concerns and observations you are making in respect to the Reinecke case. (1) I did not run for re-election on the basis of 'we owe it to the Reineckes', or anyone else for that matter. I operate on the principle that we owe justice to those who have been denied it, and if that requires a financial settlement in the process, so be it. Such a settlement would not be necessary if we had followed constitutional procedure in the first place. (2) Such 'forces' as may have existed in the capitol had nothing to do with my vote. The bill came before the Education Committee, of which I am a member, as a result of receiving an extensive, detailed report from the Board of Education concerning the factual basis of this situation and recommendations based on it. (3) When I vote, I am always 'confident' that there is no time limit on seeing justice done. (4) There is no need to poll my constituency when (a) I consider my district the whole State when deciding matters which affect taxpayers as a whole and when voting on committee action which relates to statewide agencies of government, and (b) I do not, as a matter of principle, allow polls to dictate my vote. I do not vote on the basis of whether a majority supports me, nor do I believe I was elected to follow that course. Therefore, should it be the case that the majority opposed my view, I should not resign or change my vote, nor do I believe my position would be any the more defensible should the majority sustain the vote I render. (5) I am already paying my share of the bill in my taxes, as I assume my constituents are, unless they are dishonest in their reporting. It is clear that you are opposed to and upset by the settlement in the Reinecke case. I am equally opposed to unfairly depriving people of the right to earn a living whether I happen to agree with their politics or not. I am also equally upset that the Reineckes had to wait so many years for so small a measure of the economic justice due them. I'm sorry we differ on the merits of the Reinecke case as I am sure they do. They are only too well aware of what it is to be in the minority. That is why I know

they understand, with an insight born of three decades of suffering and injustice, how you must feel. As for me, it is always a luxury when I find the majority in agreement with my views. I enjoy these times as fully as I can because I find I, with equal fervor, regard it as a duty to vote in opposition to the majority when I feel it necessary. These times are not always enjoyable, but are absolutely necessary if the process of justice is to succeed in the United States. No poll will ever supercede my oath to uphold the Constitution to the best of my judgment and capacities. It would be a gesture of bad, rather than good faith on my part to conduct one when its results are counter to my considered judgment and would not cause me to alter my vote. It is always useful and prudent to seek opinions, but it is equally fundamental and certain that good government will not long prevail if they are the sole basis of decision-making. To regard a poll or a vote in any other fashion is to invite intimidation of the worst sort, that of the self-induced. A desire for information is one thing. A fear of being wrong politically is quite another. The Constitution of the United States speaks most eloquently when it provides for the majority to exercise its will. But it stands most proudly when within that process it protects and defends the individual against the possible tyranny of the majority."

Representative Kunimura, upon being recognized, stated:

"Mr. Speaker, reference was made that John Reinecke admitted to the allegations made to in the cause of his problem. I have yet to see both federal and state laws outlawing the Communist Party.

And second, if we are going to wait until maybe the administration of the State of Hawaii changes, I would like to add one thing, I'm pretty sure this matter before this House now is a product of both parties stipulating to the court and the court rendering a judgment, and I'm pretty sure that judgment is enforceable. We're going to owe it regardless of what we do - deferred action, vote it down - and we're going to be, you know, depriving two people of justice that is long overdue and again causing the people of this State additional finances because of the interest owing and running.

So, I urge my colleagues to vote against the amendment."

Representative Cobb then rose and stated:

"I'd like to incorporate the remarks of my colleague from the 8th District

as my own and add an additional observation, that perhaps if the matter had gone to trial, I'm speaking of the past tense now, that there could have been consideration of, not only fuller consideration of damages, but also any other wages that may have been earned and a fuller adjudication process undergone.

I do want to make it clear that when we get to the bill itself, there are several other reservations, aside from this particular matter, that I will be addressing.

Thank you."

Representative Dods, rising to speak in favor of the amendment, stated:

"Mr. Speaker, we have heard today how others feel that justice has finally been settled. I disagree. If we want the Reineckes to really be vindicated, I think we should, and they should, demand that the Attorney General carry this case back to the courts for a full hearing on the matter. And we can make this happen by voting for this amendment."

Representative Nakamura, speaking against the amendment, stated:

"Mr. Speaker, in my mind there's not a shred of question that a great injustice was inflicted upon the Reineckes many years ago. By the waiver last year, passed by this Legislature, I believe the Legislature and the State of Hawaii admitted to the question of liability. The only question remaining was, how much? We left it up to the Attorney General to decide this question. With all the evidence collected over the years, the Attorney General's office has come up with this recommendation of \$250,000. Personally, I believe that this is a very favorable judgment for the people of the State of Hawaii.

For the representative from the Hawaii Kai district, I would like to say that when you present a stipulation before the court, the court will not look to the evidence. This is why you have the stipulation, to avoid a trial which requires stipulation of evidence to enter into a stipulation. The courts invariably do not look behind the judgment unless of some exceptional circumstance like in the case a minor child is involved. But this litigation is between the State and two grown-up adults. So, there was no reason for the courts to look for evidence to approve the stipulation. This was a stipulated judgment. It's a matter of court record, and I think it is incumbent upon us to commit

the full faith and credit of the State to pay this judgment.

I realize, Mr. Speaker, this is election year. I think we should all set aside our political views, our political philosophy, and pay this judgment. Justice delayed is justice denied."

Upon being recognized, Representative Larsen stated:

"I'd like to just comment on the previous speaker's remarks, and I speak in favor of the amendment.

Mr. Speaker, I have not been in court, but when one goes to court, there are two sides, in my understanding of the procedure, and each side is represented by the attorney if they don't want to speak for themselves. Now, this is the first time I ever heard of a situation like this - in the same office, the same Attorney General represents both sides. Now, can you get to an understanding of justice in a situation like that? What I believe should have been done, and which I understand the Attorney General responded to in a question by a colleague of mine who called him, he agreed that he would hire an outside attorney to represent the State. He named the outside attorney. But then, for some reason, that kind of slipped below the surface and one of his own deputies represented the State. And the Reineckes, at the same time, were apparently represented by the same group of people from the Attorney General's office. I don't understand the justice in this situation; therefore, I vote for the amendment.

Thank you."

Representative Carroll, at this time, rose to be recognized.

The Chair then asked:

"Representative Carroll, I believe you rose twice to speak in favor of the motion. For what purpose do you rise?"

Representative Carroll replied:

"I just wanted to ask for clarification on two points that have been raised."

The Chair asked Representative Carroll to "state your point of information", to which Representative Carroll answered:

"Well, the point of information, Mr. Speaker, I have not seen a copy of the judgment, but my understanding of the judgment is that it is a judgment

for monetary damage"

The Chair then stated:

"The Chair rules you out of order. I don't believe that was a point of information."

Representative Carroll then stated:

"Well, it was raised by one of the speakers, Mr. Speaker."

The Chair again stated:

"The Chair rules you out of order."

Representative Carroll then asked:

"May I ask one other point of information?"

Upon being directed to "proceed" by the Chair, Representative Carroll asked:

"It was mentioned on the floor that we had weighed liability when we passed 161, and I'm wondering if we did not, in fact, weigh the immunity and not liability?"

The Chair then stated:

"You've asked a question, there's no takers."

Representative Carroll then stated:

"Well, it wouldn't preclude the Chair from answering the question."

The Chair then asked:

"Would you state your point of information again? Are you directing the point of information to the Chair?"

Representative Carroll replied:

"Yes, Mr. Speaker."

The Chair then said:

"The Chair is not in a position to rule on that question."

Representative Narvaes then rose and said:

"Mr. Speaker, I stand to just make a point of clarification. This is in regards to some of the statements made by the representative from Manoa."

The Chair then asked:

"Are you now speaking in favor of the amendment?"

Representative Narvaes replied:

"I'm speaking in rebuttal to one of the statements, and in favor of the amendment."

Upon being directed to "proceed" by the Chair, Representative Narvaes stated:

"Now, maybe this would just change his mind, but he stated that a little earlier that the Reineckes have suffered in silence, that they haven't spoken to anybody about getting retribution - and it's not to ridicule the Reineckes or anything like that - but the Reineckes, last year, when this issue was before the Finance Committee, they did talk to me, and it's my understanding that they also talked to some other people and some other legislators. So, that's just for the record, to clarify that the Reineckes have been down here and they have lobbied for the bill."

At 4:03 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 4:04 o'clock p.m., Representative Abercrombie rose and stated:

"Mr. Speaker, I rise a second time, speaking against the amendment."

I think that it's important to keep in mind, and I hope the previous speaker will. He's still a very young man and once he has more experience in life, I think he will understand that when people such as myself make a statement concerning the origins of a bill, and especially when the people involved, and I make statements about them, that he would be much better off asking me if there is some point of clarification that is necessary, as opposed to impugning the integrity of the people being referred to. But as I say, he is a young man and hasn't learned all the ways of using such abilities as he possesses yet. Therefore, he should be forgiven.

The fact of the matter is that the people involved here never sought to have anything but common recognition and decency, in respect of the injustice that they suffered, and that the people who supported this, in terms of seeing that there would be a monetary settlement in association with this vindication, such as myself, did so only when they assured us over and over again that they wished to merely clear this. And if we were to pursue it further, that they would speak to someone, to anyone, as a matter of fact, should their desires on the matter be sought in terms of questions.

They are in their seventies. There are no two people who do not exist in the State who are more decent-hearted, more honest and more forthright than these people. To indicate anything in the way of backroom or sideroom or any other kind of underhanded activity on behalf of this bill or any other, is totally"

Representative Ajifu, on a point of order, stated:

The speaker should confine his remarks to the amendment. I think he's making reference to one of the speakers which has really no relevance to the subject matter, and I think"

The Chair then interrupted, stating:

"The Chair will rule you out of order, Representative Ajifu. I think your objection is untimely. We have opened the door. Will you proceed, Representative Abercrombie."

Representative Abercrombie continued, stating:

"Yes, thank you, Mr. Speaker, that's precisely my point. When any member arises on the floor to urge upon other members that they vote 'aye' or 'nay' on a bill or an amendment to a bill and cites an argument which may have the effect of changing a member's mind, by virtue of stating what is supposedly the facts and they are not, or the facts are stated in such a way to produce an incorrect version of the facts, it is incumbent upon those who know the facts to inform the members, in turn, as to what they really are.

As I say, with experience, I trust that the representative will learn to do this and then perhaps will not make such mistakes as often."

Representative Narvaes then rose on a point of personal privilege and stated:

"I feel I have been aggrieved."

At 4:10 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 4:11 o'clock p.m., Representative Kamalii requested for a Roll Call vote.

Upon receiving a sufficient show of hands, the motion was put by the Chair and the amendment failed to carry by a Roll Call vote of 34 noes to 12 ayes, with Representatives Ajifu,

Carroll, Cobb, Dods, Evans, Ikeda, Kamalii, Larsen, Medeiros, Narvaes, Poepoe and Sutton voting aye, and Representatives Caldito, Fong, Garcia, Naito and Nakamura being excused.

Representative Ajifu then rose to speak on the main motion, stating:

"Mr. Speaker, reluctantly, I feel I must speak against this bill.

I speak against this measure not because I oppose the fair settlement of just claims against the State of Hawaii by the people who have been wronged or mistreated or given short shrift by our legal system.

Our democratic system of government makes it all the more urgent that we address fair and legitimate claims brought by the people against the government itself.

But I feel I must object to, at least in principle, the last item on page 10 of this bill, awarding a quarter million dollars to John and Aiko Reinecke for their loss of State teaching jobs during the 1950's because of their political beliefs.

It is not because I lack respect for the freedom of these individuals to believe in whatever philosophy they feel is right. It is not because I believe the State should dismiss from employment anyone who professes disagreement with any particular State policy or practice. It is because of this action, this singular action of lifting the statute of limitations to allow for reparations to these two individuals for something that happened over 25 years ago, sets a truly dangerous precedent for the State of Hawaii.

It is a precedent that can prove disastrous in the face of the access to legalistic challenges to Hawaii's actions which took place long ago but which will now be capable of coming back to haunt the taxpayers of today and may even threaten to bankrupt our State coffers.

We have opened up the door to these challenges by allowing this one action to take place"

Representative K. Yamada, on a point of order, stated:

"Mr. Speaker, I feel that the speaker is talking about the bill which we passed last year waiving the statute of limitations. The bill which is before us here deals with the monetary damage which is to be awarded."

The Chair then stated:

"Representative Ajifu, will you make your connection there, and proceed."

Representative Ajifu continued, stating:

"Exactly, Mr. Speaker, I'm talking about the quarter of a million dollars that is appropriated in this bill.

Mr. Speaker, I started to say, by saying that we have opened the door to these challenges by allowing this one action to take place, by allowing this one exception to the legal statute of limitation claims against the State.

We are not talking here about an issue which is similar to that of the native claims made by the American Indians and those now being made by the native Hawaiians. We are talking about what amounts to an unfair labor practice, something that could have and should have been adjudicated in a court of law.

If the temperament of the times during those turbulent days in the early 1950's was adverse to the case of these two individuals, then they could legally have continued their cases in courts until a situation existed which would provide them more favorable or just treatment. This is what the democratic process is all about. This is what the U.S. Constitution and the Hawaii State Constitution is all about - fair and equitable due process for all.

By making this exception to the rule, how can we then say no to anyone else fired for what he or she felt were unfair reasons decades ago? What kind of rationale can we argue to protect this one action as being right and fair when someone else may make a clear case of unjust action taken against them by a political state which was unfair to them at a particular point in time?

The law of the land provides for certain avenues of redress when citizens are wronged by the state. It is my sincere feeling that this law did prevail and should have been pursued by these two individuals, rather than have this legislative body and the judiciary flout the law to allow for exceptions.

If we cannot depend on the protection and preservation of the law of this land, what lies ahead for those of

us who must face even harder challenges and decisions which go contrary to those laws we work so hard to create and defend?

Therefore, Mr. Speaker, I urge members of this House to join with me in voting against this measure.

Thank you."

Representative Dods requested that the following be inserted in the Journal:

"Mr. Speaker, I rise to speak against this bill.

As a member of the Finance Committee which reviewed and amended the Act that allowed the Reineckes to sue the State, I am opposed to the inclusion of the \$255,780.02 claim against the State by the Reineckes.

Last year in reviewing the bill that ultimately became Act 161, the Finance Committee amended the bill to allow the Reineckes to sue the State rather than to give them a set monetary sum. Your Committee felt, and I quote from the committee report: 'this proposal is made after full review and consideration by your Committee that suit against the State is a proper course of action.'

We felt that in the best interests of the State and the Reineckes, a full hearing of the issues and circumstances surrounding the Reineckes would be the best determinant of the damages they suffered as a result of their dismissal from the Department of Public Instruction.

Mr. Speaker, a full hearing on the Reineckes and their claim against the State was never held. Unfortunately, rather than follow the procedure that was agreed to last year, the Attorney General took it upon himself to settle out of court.

We have heard today how others feel that justice has finally been settled. I disagree. If we want this matter settled, we should demand that the Attorney General should bring this case back to the court for a full hearing. And we can make this happen by voting against this bill and letting justice seek its course.

Mr. Speaker, it is for this reason alone that I rise to speak against the inclusion of the \$253,780.82.

Thank you, Mr. Speaker."

Representative Carroll then rose and asked:

"Mr. Speaker, may I have my remarks in favor of the amendment which preceded this bill be inserted as my remarks against this bill?"

The Chair "so ordered".

(Refer to Representative Carroll's previous remarks in favor of the amendment.)

Representative Sutton, speaking against the bill, stated:

"Mr. Speaker, the purpose of this bill is to appropriate over a million, one hundred sixty-two thousand dollars out of the general revenues of the State of Hawaii, with the payment of certain tax refunds, judgments and settlements and other miscellaneous claims.

Now, Mr. Speaker, if you will look at the State Tort Liability Act, 662-2, Waiver and Liability of State, you will find that in the Act that is very comparable to the Federal Tort Claim Act, the sovereign immunity of this State is waived as follows: The State hereby waives its immunity for liability for the tort of its employees and should be liable in the same manner and to the same extent as private individuals under the circumstances. Now, Mr. Speaker, that indicates that there should be a trial. And in all of tort liability cases, evidence is adduced, it goes before a judge in a jury, and a decision is made. But in this particular case, we had Mr. Charles Fell, without adducing one single solitary bit of evidence, without presenting in any way, shape, or manner, any argument, making an out of court settlement that was never a judgment per se by Judge Fong, but was for all intents and purposes an approval by Judge Fong. And this violates the very concept of the Act 161 we have before us and the representations in 662-2, Waiver and Liability of the State, which we have incorporated.

And therefore, Mr. Speaker, I would ask all of my representatives and you, Mr. Speaker, also, to vote this bill down.

Thank you."

Representative Cobb, upon being recognized, stated:

"Mr. Speaker, I rise to speak against the bill, and as indicated during the discussion on the amendment, there was another part of it, aside from the amendment, that causes me to vote no, and that's contained on page 7,

line 17, where it involves payment of attorneys' fees to the Legal Aid Society of Hawaii.

Now, I'm aware that our Finance Committee had just passed a measure out of this House recently that states that when attorneys' fees are sought, then it will be deducted from the moneys awarded to the Legal Aid.

Now, perhaps the settlement of this was reached prior to the passage of that particular measure out of the Finance Committee.

My objection is a philosophical one. We have Legal Aid receiving funds from three different sources - the federal government, the State government, the Aloha United Way - then they turn around and get \$3,196.41 in additional legal or attorneys' fees from the State of Hawaii. I think, to be consistent with the legislation just passed by the House and by the House Finance Committee, that amount should be deducted from the budget. And that, I would like to go on the record as one of my major reasons for opposing this bill.

Thank you."

The motion was put by the Chair and the report of the majority of the Committee was adopted and S.B. No. 1622-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RELIEF OF CERTAIN PERSONS' CLAIMS AGAINST THE STATE AND PROVIDING APPROPRIATIONS THEREFOR", having been read throughout, passed Third Reading by a vote of 39 ayes to 12 noes, with Representatives Ajifu, Carroll, Cobb, Dods, Evans, Ikeda, Kamalii, Larsen, Medeiros, Narvaes, Poeppoe and Sutton voting no.

The Chair directed the Clerk to note that S.B. No. 1622-78, SD 1, HD 1, had passed Third Reading at 4:25 o'clock p.m.

At this time, Representative Narvaes rose on a point of personal privilege and stated:

"Mr. Speaker, I feel that I've been personally aggrieved on this floor. It's not much of a grievance, but I feel that I have been and I'd like to clarify one thing.

Mr. Speaker, when I spoke for the second time in favor of the amendment that was previously before us, I had stated explicitly that I was not attempting to ridicule the Reineckes. I had also made, at that time, a clarification

that I had spoken to the Reineckes who were, at that time, when I spoke to them, in my opinion, were lobbying for financial retributions.

Mr. Speaker, the second point for which I was personally aggrieved was that the statement was made that I wasn't speaking on fact. Mr. Speaker, in my opinion when somebody comes and speaks to me "

The Chair interrupted and said:

"At this point, the Chair rules you out of order. You've made your point."

At 4:26 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 4:29 o'clock p.m., Representative Abercrombie asked:

"Just a point of clarification. The last speaker was ruled out of order, was he not?"

The Chair replied:

"That is correct."

Stand. Com. Rep. No. 801-78 (S.B. No. 1787-78, SD 1, HD 1):

Representative Stanley moved that the report of the Committee be adopted and that S.B. No. 1787-78, SD 1, HD 1, having been read throughout, pass Third Reading, seconded by Representative Takamine.

Representative Sutton then rose to speak against the bill, asking:

"Mr. Speaker, I have just one question: if there's going to be an amendment, is it appropriate for me to speak now or wait for an amendment? I see an amendment on my desk."

At 4:30 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 4:31 o'clock p.m., Representative Sutton stated:

"Thank you very much, Mr. Speaker. I wish to speak against this bill.

The purpose of this bill, Mr. Speaker, was to try to define the term 'resident' as it applies to employment by the State or the various counties,

and to establish a very high preference, in fact an exclusion of non-residents, a very high preference for residents and their dependants.

Now, Mr. Speaker, under the provisions of this bill, somebody that was seeking employment must be a citizen, must be a national, and if they're going to be an alien, they have to be a permanent resident alien, and finally, they must be a resident of the State.

Now, we have seen, and I will not go through any further, *Shapiro vs. Thompson*, except Mr. Speaker, to point out to you that the criteria for determining residency must be supportable. For example, Mr. Speaker, if you will look at the requirement, in looking at a resident that he fulfills certain indicia of residency, namely, that he's filed an income tax. All of a sudden we're going back and we're making a classification which is not an appropriate classification by the Constitution of the United States. You can't set up those who have filed income taxes and those who have not as a determination of who is or is not a resident; and you have thereby established an arbitrary classification in violation of *Shapiro vs. Thompson*. You will hear that *Shapiro vs. Thompson* had to do with duration of residency, and I will very briefly state that that was a District of Columbia case that required one year. But, Mr. Speaker, the court struck it down completely saying that there may be no durational. And once we have the criteria of those who did or did not pay income tax as an indicia for determining residency, we have thereby set up the very arbitrary classification and we have done an end run, Mr. Speaker, around the inhibitions of the Supreme Court on durational residency.

Mr. Speaker, it is very important that we pass legislation which will pass muster. I had been told that Section 3 has a severability clause. But if you take anything here as unconstitutional, the severability clause does no good because there is no way of separating parts of this bill. They address by finding that resident means a person physically present in this State at the time he claims to establish his domicile. And that's fine. Then it says, and shows his intent is to make Hawaii his permanent residence. That's excellent. Couldn't ask for anything better. But then, all of a sudden, they say, oh, we're going to add these additional criteria. And furthermore, we're going to make a delegation to another body, delegation of our legislative basis of this income

tax filing or not filing.

Now, there was a very sound decision that determined *Radir vs. Yaeger*, that the courts cannot put arbitrary classification. There must be a rational basis for the distinction. Now, we don't have a rational basis for distinction. There must be, Mr. Speaker, a very finely drawn rationale, not just to exclude people, not just to say alright, fine, this employment is in the minds of this department, something that they will determine arbitrarily. Employment for the unemployed is a very serious thing, Mr. Speaker. It's bread and butter; sometimes it's life or death.

Now, Mr. Speaker, I'll be very honest with you. I've been unemployed. In fact, I worked for the WPA, that's Works Progress Administration. And I got that job because I had a football scholarship. And, Mr. Speaker, when I did that, I was not a resident from California. I was a resident of Hawaii. But I went up there, and the only application I had to do was show poverty. And believe me, I could show that. All you had to do was look at the heel of my shoes. There were holes in them.

Mr. Speaker, the states throughout this union are in a federation; federation of fifty states. We cannot draw these arbitrary walls - those that paid income taxes and those that did not; those who attempted to get a domicile but they couldn't find a house to rent.

And so, Mr. Speaker, we would be much better off if we passed legislation which we knew would not be struck down. A year ago, we sat in this same body and we passed a very comparable bill because we knew we had fiscal restraints, and we know that today. But Judge Samuel King of the federal court ruled it immediately unconstitutional.

This bill should be recommitted, Mr. Speaker, back to your committee. There's plenty of time. Have them rework it in such a way that they do not have this arbitrary classification of those who did or did not pay income tax. I feel that there are some very good minds in this body, and I don't think it is necessary that they have legal training. I feel that they can find the dictate of the U.S. Supreme Court and our own State Supreme Court and follow those dictates, but not so we put every bum that wants to come in from L.A. on the last plane on our roles for employment. No. But so that we follow the constitutional inhibitions of our Constitution and

the Constitution of the State of Hawaii.

So, Mr. Speaker, I shall urge you and all my colleagues to vote against this bill."

Representative Suwa, speaking in favor of the bill, stated:

"A few weeks ago, I had made some prepared speeches here relating to jobs for residents. The previous speaker reminds me of a lawyer in a court where one is guilty but is trying to turn the verdict to innocent, and I admire any attorney in doing a good job. But if you look at this bill, systematically going down, line by line, actually, if I was a pro-resident legislator for this measure, I must vote against it because primarily what it does is to conform to some of the constitutionality question it removes - where requirement says at least one year residence. It takes the bracketed area out and substitutes residents of the State at the time of their application of employment.

You know, like any good citizen, I think jobs for our residents are important, but I do not want to go into the area where, in passing a law, we break another law. But, I think it is very important at the time of application for employment that the applicant be a resident. A resident means a person who's physically present in the State at the time he claims to have established domicile and shows his intent to make Hawaii his permanent residence. In determining this intent, the following factors shall be considered: establishment of a domicile or permanent place of residence in the State; absence of residency in another State. How clear can it be, Mr. Speaker? I think too many times job application is made when one is not physically located in the State of Hawaii; an application is filed on behalf of a friend, using the residence of a friend. One must be a resident, personally physically present at the time of application for employment, to prove that he resides in the State of Hawaii. Also, if you have the intention to stay here, you have established residency and you no longer carry a residency in another state. How simple, Mr. Speaker.

So, Mr. Speaker, I think this is a fair bill. I think it's a compromise bill. I feel that because of our aloha spirit, many citizens will be coming to Hawaii. But under this bill, they will have a chance for a job which will not discriminate against them, and yet protect the interest of those who reside here physically and are not absentee applicants.

Thank you, Mr. Speaker."

Representative Stanley, upon being recognized, stated:

"Mr. Speaker, I rise to speak in favor of this, and in doing so, I'd like to ask that the remarks of the previous speaker be incorporated in the record as my own and also to say that the second section of this bill deals with establishing a preference for residents who filed State income tax and, therefore, entitled for being considered for civil service jobs. What this means, in practice, is those residents who have paid taxes, if there are people who have not paid taxes for a year in Hawaii and who are on the top five, people who have filed a State income tax will be added to the eligibility list. No one will be knocked off the list, but I think that this is a fair way to provide preference to people who have resided here and made a commitment to the State. I urge my colleagues to vote in favor of this bill."

Representative Carroll then rose to speak in favor of the the bill "with reservations", stating:

"Mr. Speaker, the issue of whether the State of Hawaii should ignore the United States Constitution has been debated frequently on the floor of this House, and I think that there are perhaps constitutional questions which, at this point, are unanswered; questions such as should this State or should any state attempt to curtail the freedoms and rights of citizens guaranteed to them by the Constitution? The Supreme Court of the United States has held, time and again, that a state shall not curtail the constitutionally guaranteed rights unless it makes a clear showing of compelling state needs to do so.

Now, in this particular bill, the thrust and intent of it, I think, is excellent. We're trying to protect our residents; we're trying to keep work for our people here; and we're trying to do it in a constitutionally approved way. The only thing that I see lacking with this measure, Mr. Speaker, and I've spoken to this point before, is the fact that we have not, at this point, shown the compelling State need. I don't see it in the committee report, and I'm not aware that it exists elsewhere. But that does not mean that it cannot be shown, should this matter come to the Federal District Court again, as it well may.

But, I would like to urge that the

DSSH, in noting that we are passing this measure today, and I urge that we do, has got to prepare the case to show the reasons why we have to have this kind of a measure. I think this is the constitutional breakdown that we've been suffering from for the past year or so.

So, on that basis, and with that warning to the DSSH, I urge that we pass this bill.

Thank you."

Representative Cayetano, speaking against the bill, stated:

"Mr. Speaker, I oppose this bill because I find its genesis, and a series of bills regarding residency which has been a subject of great debate, not only in this House and the Senate, but which has caused, in my view, much emotion, some divisiveness, not only among our members, but our people.

I believe that the administration, our governor, is a good man, and that he has the welfare and interest of the people of our State at heart. However, I believe in following this line of legislation, he has been misled. What we are doing here today will come back one day to haunt us, because the process which this bill tries to address or to prevent from entering our State are truly beyond our control. Unless we make significant changes to our immigration laws, or even to the Constitution of our land, much of what we do here would be more form than substance.

Let me address some concerns that I have with the bill itself. I have no problem, Mr. Speaker, with the requirements on page two. Certainly, I think anyone who wants to apply for a job here should be physically present in the State. On that matter, I commend members of the Committee for amending the bill to provide for the requirement that the resident be physically present in this State. However, there are two portions of the bill which I think not only will drastically weaken this bill in court, but I think reflect and manifest the kind of torturous legal reasoning which seems to be peculiar to the members of my profession, the legal profession. Let me state, or let me point them out.

First, the bill provides, or it exempts, persons who seek employment with the University of Hawaii. I'm certain there are good reasons for that exemption. I recall at the hearings, the testimony

by the University was that employment to non-residents should be open, but would help build a greater University. That kind of reasoning, Mr. Speaker, applies, or can be made to apply, to almost every branch of employment of our State government. I believe it will create a serious equal protection question when this bill is challenged before the courts.

The second portion of the bill that I'm concerned about is the preference for State residents. The preference for State residents is granted to residents who have filed resident income tax returns or those residents who have been claimed as a dependant on such returns. I must congratulate the attorneys who came up with this language. But I might point out that, at the hearing, it failed to fool or mislead members of the Committee, and I think it will have the same problem in court. I don't think it will fool the court, because what has happened here is that although we have not specifically stated, or expressly stated, in the bill that there is a durational requirement, we have, in fact, imposed the same kind of requirement by giving preference to residents who have filed resident income tax returns, or those who have been claimed as a dependant on such returns. The simple fact of the matter, Mr. Speaker, is that it takes some time for one to be able to file a tax return, and so, maybe, instead of a one year residency requirement, we may have a sliding scale of time requirements. I recognize that some arguments can be made as to this kind of legal language being constitutional; however, I think in the end, the end result of the end product is the same.

Mr. Speaker, this kind of legislation, part of a package of the administration's growth management legislation, is really like putting one's finger in a leak in a dike. One day, the dike is going to break and we will have to face the consequences.

I would hope, Mr. Speaker, that the administration would exert the same kind of energy it has exerted in this area, the area of residency requirements, in opening up State employment to members of certain ethnic groups within our own State. The only way that that is going to be done is to open up and eliminate these kinds of requirements. Once we do that, then perhaps all of us, all persons here, will have an equal shot at employment in government.

Recently, two members of the DOE were fired. They were fired because

they felt the DOE was not complying with affirmative action requirements under our federal laws. I would hope that the administration would exert the same kind of energy, the same kind of dedication with the problems in those areas as it attempts to do here.

And with that, I urge my colleagues to vote against this bill."

Speaking against the bill, Representative Abercrombie stated:

"Mr. Speaker, I guess I'm the third or fourth person now to stand up and talk about the details of the debate and so on that we've had. That has taken place, and there's no sense going over it again. I appreciate, in particular, I might say, the remarks that were made by the chairman of the Finance Committee in respect of the attempt that has been made to deal with this problem. And it is a real problem, no question of it. I think, in the greatest respect, I could go along with those remarks, but only to a point, and in the end must still vote no.

The last speaker mentioned the point about the University of Hawaii being an exception. Now, when I came to the State of Hawaii, I intended to be a resident of the State of Hawaii, but I was not in the State of Hawaii at that time, because I had applied for my job as a result of a recruitment poster and subsequent correspondence with the University of Hawaii. I could not physically be in the State of Hawaii until I had the job, which I got. I then paid my own way here and went to work. But in the absence of a confirmation of a job at the University, it would've literally wiped me out to be able to come out to the University to apply physically for the job and then see about it. Secondly, the University could not have conducted its business under those circumstances because it had a certain timetable of activity that has to be met.

Now, unless someone wants to say the same thing does not apply to other agencies such as the Department of Education, Department of Health, and so on, it seems to me that we are really operating against ourselves. We are also encouraging a circumstance again where I think, in effect, we are saying that our educational system doesn't provide us with people, provide the opportunity for our people to be able to match up against the people who will be coming from the outside. If that's the case, I think we should worry less about residency requirements as such and more about what we're doing for

our own people.

The thing that the last speaker referred to, in reference to the Committee not being fooled, or members of the Committee not being fooled, it's going to be quite apparent as to who is a resident and who is not a resident under this income tax filing business. If it isn't, there's no sense in having the names. We have seven names, let's say, on the list, I mean obviously it's because somebody isn't paying their income tax, and they'll find out who hasn't paid their income tax, and that becomes a durational situation, and then the law's going to be tossed out. Again, we'll waste all kinds of money in court.

It's too bad we're doing it that way, because I think once you start paying your taxes again, the moment I began to work in the State of Hawaii, I began to pay my State income taxes. But obviously, I couldn't file my State income taxes until the time that it was appropriate. Now, I came to work in September of 1959, and so was able to file an income tax in January of 1960. Now, had I come earlier in the year, say in January, or supposing I came in January of 1960, I suppose I wouldn't have been able to actually file the taxes, even though I had been paying them for a year, until 1961. I don't think that I was, or should've been prevented from trying to get a job with the State in another area. For example, I graduated in 1964 with my Masters degree from the University of Hawaii; and supposing I had acquired that Masters degree in California, say at Berkely, and came here to try to work for the DSSH - I tried to go to work for the DSSH, as a matter of fact, and was not even allowed to apply there because they said that my Masters degree in sociology wasn't in social work and that I couldn't go to work for the DSSH at that time unless I had it in social work. And at that time I remember arguing quite vigorously with the personnel people that I felt that my Masters degree from the University of Hawaii in sociology prepared me sufficiently in the language that's utilized, to the best of my knowledge, in the DSSH to be able to master the arcane and obtuse intricacies of social work language. Of course, I subsequently saw a lot of DSSH work, and maybe I was a little too optimistic. It's very difficult indeed to understand it all. But nonetheless, I thought that with a little diligence, I could master it, but I wasn't even allowed to apply, not allowed to apply, and I was already a resident of the State. I'd been a resident of the State for five years. By any criterion, I had gotten a degree

from the University of Hawaii and that didn't even allow me to apply as far as they were concerned in the DSSH, at that time. Now, maybe their standards have been somewhat lowered since then. I don't know. Perhaps they were a little higher at that point.

The reason, therefore, then, I'm going through this is that I think the maintenance of a domicile, a permanent place, in terms of intent, is important. I most certainly didn't mean to defraud the State of Hawaii when I indicated my intent to reside here when I came for a job. It would be unfair, totally unfair, for the University to have offered me a job and for me to have come here and then said to myself, oh, I don't like it, after two or three weeks, so I think I'll take off and leave them holding the bag. There may be people who do that kind of thing. I most certainly was not one of those, and I think the overwhelming majority of people in our country are not that kind of people.

But, you see, this was the whole point of it, that my intent was clear. When I took the job, I was offered a contract and that contract was for a year at that time, with the possibility of it being renewed if my work was satisfactory. And so when I came out here, I had given my promise to the State of Hawaii, because that's who paid my pay check, that I would be here for a year and I would fulfill the conditions of that job. So, my intent to reside was quite clear in the acceptance of my job. If we could have that here, in this bill, I could vote for this.

As I've indicated before, I don't wish to deny people who are living in the State, residing in the State, the opportunity to have their choice or to be considered for employment. I don't want others to be denied it. And so, when we come down to finally the residence income tax kind of thing, again, I'm not a lawyer, but I'm pretty sure that if when you go into the court, that's going to be hardly due process because why not any tax, why just income tax.

So, as the previous speaker said, we're trying to get at an answer here. I think the emotional spasm that we've gone through in the last two years, and especially in the last couple months, has been such that we're moving closer to the answer, but we're still focusing on the residency per se in the legal sense as opposed to some of the questions raised in the committee report, which are very real and which I think have dealt with, for example, in the State Plan, which I have mentioned previously

on this floor and in committee, if dealt within the State Plan, will relieve a good many of the anxieties that I think are the genesis of the residency bills.

I can refer you to page two of the standing committee report, the last one. Growth rate twice as fast as the entire United States, largely because of the influx of new residents. New residents create greater demands for housing, police, transportation, school, sewers, and other public services and control population growth. Well, in a way that's true. But a resident is a resident. I hope we wouldn't be concocting new residents now, because that would be taking us a step further down the line. If one has established that one is a resident, we wouldn't want to add the word 'new resident' then, because maybe it'd have to be, you know, two income tax filings, because the first income tax means you're just a resident, but you're just a new resident; the second one will be that you're an actual resident. Of course, the greater demand is there. We're up near four million people in tourism now. When I first became a resident of this State, we were around, I think, 150,000 to 200,000 tourists. The demands made by those transient people on housing, and by that I also mean military, police, transportation, school, sewers and others, is an incredible expansion which we've had to meet. So, when we talk about uncontrolled population growth, I think we're really talking about growth in another sense than resident population.

So, in the end, my friends, I appreciate the education I've received in the Committee, especially in the work that we've engaged in on this, and I appreciate the efforts that are being made to address it. But, unfortunately, I don't believe as a result of the qualms that I have raised in the course of my remarks that we can pass this bill and have it, I think, as one of the representatives has stated on several occasions, stand muster. It will not stand muster. And if it doesn't, we're going to be right back here dealing with it again. And in the meantime, several more months possibly will have slipped by us. So, I guess in the end I'm going to vote no and hope to God we can get the State Plan through in serviceable form so that we can come to grips with these very, very weighty and meaningful questions concerning residency in a way that will benefit the people who are living here in the State of Hawaii.

Thank you, Mr. Speaker."

Representative K. Yamada then rose to speak against the bill, stating:

"Mr. Speaker, in speaking against this bill, I am ever mindful that we are seeking a solution to problems that we have in the State of Hawaii with economic growth as well as other types of growth. And I suppose that the committee that was involved in analyzing this bill ought to be given a great deal of credit for the innovative way in which it sought to resolve those problems.

I do not have any problems with the definition of residency in this bill. I think this particular bill defining residency, as others which have come before this body, will pass that constitutional muster that other speakers have been talking about.

I also do not have any problem with the University exemptions because I feel that this is a specialized area which we may not be able to find qualified individuals that we need to have at the University system.

I do have a great deal of problem, however, Mr. Speaker, with the preference provision of the bill. It is, I suppose, a defacto way of coming up with a durational residency requirement. And as such, Mr. Speaker, it still is an invidious discrimination considered to be blatantly unconstitutional unless there is a compelling State interest. The committee report does attempt to deal with the compelling State interest - problems with growth. But, Mr. Speaker, this is a problem which exists in all the cities throughout the United States, and it's not necessarily unique to the State of Hawaii. That is why I cannot buy that as a reason for the compelling State interest.

Last year, when the durational residency requirement came before this body, I cited a case which was decided by the United States Supreme Court not more than two years ago. And as I recall the case, it was *Lefgowitz vs. CDR Enterprises*. In that particular case, the State of New York attempted to give preference to local businesses for state contracts - public works contracts. The State Supreme Court, as well as the United States Supreme Court, held that to be unconstitutional. I see this bill as a compromise of the durational residency requirement. Perhaps slightly less than the durational requirement, but still not passing constitutional muster.

Mr. Speaker, I think you know, as well as I do, as well as any other attorney in this body knows, that a statute is either constitutional or unconstitutional and there is no half way about it. So, we cannot reach any kind of a compromise. We have to look at it from one standard, and that is the standard of the United States Constitution.

Again, I'd like to commend the committee that looked at this bill. I know they've worked hard on it, but, unfortunately, I do not believe the bill passes constitutional muster."

Representative Peters, upon being recognized, stated:

"Mr. Speaker, I rise to speak in favor of the bill, but with some reservations.

I know there have been some concerns about exceptions made to those positions that you now find in the University of Hawaii. Just as a matter of record, I suspect if everybody did their homework, they would find that that provision is found within the State Constitution and makes this bill appropriate for conforming to those provisions.

One of the things that I have a very difficult time, and I know I've talked about this measure emotionally as well as unemotionally for the past few weeks now, one of the things I really can't understand is how the State is unable to prove what Brother Kats has talked about in reference to compelling State interest. I won't delve into the particulars of that matter, with the exception of saying that I look at the Constitution of the United States as basically the supreme law of the land. It talks about qualifications citizens of the United States must possess in order to hold certain public jobs - jobs that are produced by way of utilizing those resources that are given to the government via the tax route or levies made on each citizen.

I know I mentioned this on the floor once before where the president of the United States or anyone who wants to fill that position must prove that he was born in the United States; and secondly, that he must show that he resided in the United States for fourteen years. I know the media was quite concerned about a resolution I introduced, basically incorporating those provisions and making it applicable to the chief executive of the public sector job here in this State, the governor's position. I suspect that our forefathers, if we check the history books, must have had some justification or rationale

for plugging in that proviso, and may have shown, in that instance, compelling national interest. So, the resolution basically addresses itself to that proviso. And, I think from a very practical sense, everyone of us tries to be practical in this process. I don't think this proviso or the bill is stringent enough.

We've enumerated many times that the State just doesn't have all the resources necessary to meet the employment needs of people throughout this world. Yet, slowly but surely, we're having that drained to such an extent that eventually, you know, we talk about having things come back and haunt us. I can foresee the day when none of the residents in this State will have a job because somebody else has it. And I utilize that, hopefully, in the proper context.

Thank you very much."

Representative Ikeda rose and asked:

"Mr. Speaker, I have some scribbled remarks in favor of the bill, but with reservations. May I have them inserted in the Journal?"

The Chair "so ordered". Following are the remarks of Representative Ikeda:

"This bill seeks to clarify the definition of 'resident' and also grants a preference to State residents who have filed State tax returns. I favor giving Hawaii's residents increased opportunities for being hired for public jobs and also agree that ambiguities in the State Civil Service hiring process should be clarified.

However, Mr. Speaker, I am concerned by the fact that filing a State tax return is a requirement and not just a consideration, and I can't help but wonder if this requirement will meet the constitutional test.

Legal opinions, which I have sought, have been conflicting, and since the preference will not have the effect of eliminating anyone from the eligibility list and the bill does contain a severability clause, I will support this measure."

Representative Say, upon being recognized, stated:

"Mr. Speaker, I have a few remarks to make in opposition of this bill before us.

I believe this bill, even though I've been consistently supporting the residency in terms of the State program for the

unemployed, this bill before us is something that goes back, really dates through my education, to the extent that what we're doing here this afternoon is really reflecting back to the past, or what happened in the past, with the native Hawaiians.

When the white missionaries came here, or the sailors, what have you, they were the ones that started to abuse it. And maybe if you're going to give preference, preference should be given to the Hawaiians first before all others.

I remember, through the history books and reading about the Hawaiian histories, how the different ethnic groups all came at different times and were exploited to the extent that we worked for cheap labor, what have you.

Passing something like a bill dealing with public employment for residents, with preference given, has an implication, I feel, that it is implying to all of us here today that the local people here are ignorant. And that's what I told the department head who came and testified on this measure - I don't believe that local people are ignorant to qualify for the rule of five.

If the members here are going to vote for something like this, you can just think back in the past of what happened to each and everyone of us here. And if you're going to give a preference, my first preference would be for the native Hawaiians.

Thank you."

Representative Cayetano, speaking in rebuttal, stated:

"Mr. Speaker, some reference was made to a provision in the United States Constitution regarding the qualifications for the office of the president of the United States. I believe, Mr. Speaker, there should be some discussion about this proviso, or this provision, in our Constitution that it should be placed in the proper context, in the proper historical context.

Scholars all over the world, and men who love freedom and democracy throughout the world, hail the American Constitution as the greatest document ever conceived by man, and it has been the model for democracies all over the world.

The proviso that the previous speaker referred to was made or was conceived, if my history is correct, in 1779, or

somewhere around there. It was made by a group of brilliant men who, in today's context, would be totally out of place because these men owned slaves and they have different ideas about the rights of people who were of a different race or color. That's quite clear. Anyone who has studied American history should know that.

One of our great justices of the Supreme Court, I believe it was John Marshall, said that, and I try to quote him correctly, that the Constitution is a living document. It is a living document, and our courts have interpreted the Constitution as such throughout all these years. We only need look back in the Brown vs. Topeka Board of Education case to know what I'm talking about. Prior to that decision, black people were viewed in a different light. The rights under the Constitution were taken in a different context. Today, all of that is passed.

At one time, in this State, we had residency requirements. Courts have struck them down. The arguments upon which the court's decisions were based have been talked about at length here, so I won't go into that. What I'm saying is that we're taking a step backward by passing this kind of bill.

Historically, if we look back, we find examples of these kinds of backward steps in ample supply. For example, when the Chinese began immigrating to California in great numbers in the early 1800's, they began to settle in San Francisco. They're very efficient, very, very efficient in the laundry business, of all things. They were so efficient that it became an economic threat to the local businessmen. Consequently, the San Francisco Board of Supervisors, I believe, passed an ordinance. The ordinance did not mention any ethnic group, race, or color, but clearly, it was aimed at the immigrating Chinese. Well, Mr. Speaker, this happened in the early 1900's, I believe, and even then our Supreme Court struck it down. Today, the Chinese community in San Francisco is a viable and vibrant and important segment of that community. But it took a court decision to open the eyes of the people of San Francisco about a certain group of people whom they felt were an economic threat to them.

We are going backwards, as far as I'm concerned. I believe this bill that we're looking at here today would be struck down by the courts for the reasons stated earlier, the reasons stated eloquently by Representative K. Yamada. And with that, I'd like to again urge my colleagues to vote against this bill."

Representative K. Yamada, upon being recognized, stated:

"Mr. Speaker, just so there is no misunderstanding about my position, I am also a very strong believer that the natural resources of the State of Hawaii ought to be reserved for its people. I suppose many would look at the statements I have made today as being somewhat inconsistent. I see a great deal of our resources being drained by others who do not intend to become residents of the State or to live here. But I suppose in the final analysis, Mr. Speaker, we all have to be true to our profession, to the House and, I suppose, mostly to ourselves. That's why it hurts to vote against this bill."

The motion was put by the Chair and carried and the report of the Committee was adopted and S.B. No. 1787-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT", having been read throughout, passed Third Reading by a vote of 40 ayes to 11 noes, with Representatives Abercrombie, Baker, Campbell, Cayetano, Evans, Garcia, Say, Sutton, Toguchi, Ueoka and K. Yamada voting no.

The Chair directed the Clerk to

note that S.B. No. 1787-78, SD 1, HD 1, passed Third Reading at 5:22 o'clock p.m.

At 5:22 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 5:23 o'clock p.m., the Chair stated:

"The Chair, on behalf of every member of this House, would like to extend our welcome to Representative Baker. Glad to have you back."

The Chair then made the following announcement:

"The Chair would like to remind all members that tomorrow will be another long day. We'll begin at 10:00 o'clock and will continue until we get through the calendar."

ADJOURNMENT

At 5:26 o'clock p.m., on motion by Representative Yuen, seconded by Representative Kamalii and carried, the House of Representatives adjourned until 10:00 o'clock a.m. tomorrow, Wednesday, March 29, 1978.

FORTY-EIGHTH DAY

Wednesday, March 29, 1978

The House of Representatives of the Ninth Legislature of the State of Hawaii, Regular Session of 1978, convened at 10:00 o'clock a.m., with the Speaker presiding.

The Divine Blessing was invoked by the Reverend Harry Pak of the First United Methodist Church, after which the Roll was called showing all members present with the exception of Representatives Abercrombie, Blair, Caldito, Carroll, Cobb, Fong, Inaba, Kawakami, Nakamura, Peters, Poepoe, Toguchi and Ushijima, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Forty-Seventh Day.

On motion by Representative Yuen, seconded by Representative Kamalii and carried, reading of the Journal was dispensed with and the Journal of the Forty-Seventh Day was approved.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 191 to 195) were read by the Clerk and were disposed of as follows:

A communication from the Senate (Sen. Com. No. 191) informing the House that the amendments proposed by the House to Senate Bill No. 1682-78, SD 1, were agreed to by the Senate, and said bill, as thus amended, passed Final Reading in the Senate on March 28, 1978, was placed on file.

A communication from the Senate (Sen. Com. No. 192) informing the House that the amendments proposed by the House to Senate Bill No. 1756-78, were agreed to by the Senate, and said bill, as thus amended, passed Final Reading in the Senate on March 28, 1978, was placed on file.

A communication from the Senate (Sen. Com. No. 193) informing the House that the amendments proposed by the House to Senate Bill No. 1757-78, SD 1, were agreed to by the Senate, and said bill, as thus amended, passed Final Reading in the Senate on March 28, 1978, was placed on file.

A communication from the Senate (Sen. Com. No. 194) informing the House that the amendments proposed by the House to Senate Bill No. 1799-78, were agreed to by the Senate, and said bill, as thus amended, passed Final Reading in the Senate on March 28, 1978, was placed on file.

A communication from the Senate (Sen. Com. No. 195) transmitting Senate Concurrent Resolution No. 124, expressing deepest sympathy upon the death of Elmo Samson, which was adopted by the Senate on March 28, 1978, was placed on file.

On motion by Representative Yuen, seconded by Representative Kamalii and carried, S.C.R. No. 124 was adopted.

At this time, the following introductions were made to the members of the House:

Representative Kiyabu introduced nine Girl Scouts from Troops 555 and 132. They were accompanied by their leaders, Ms. Pauline Mitchell and Mrs. Joy Ray.

Representative Kiyabu then introduced an up and coming artist, Neil Sekiya, a kindergarten student from Aliiolani School. She was accompanied by her grandmother, Mrs. Arizumi.

Representative K. Yamada introduced Mr. Dennis Fujita and Mr. Randy Oba, two of his friends from Los Angeles, who are here to participate in the pageantry pertaining to the Cherry Blossom Queen.

Representative Aki introduced a group of Empire Girls from Makaha and their leader, Ms. Pat Lau, "a neighbor of mine."

Representative Takamine introduced a friend of his from the Big Island, Ms. Barbara Dart, from Honokaa, "who came to honor the Governor tonight."

ORDER OF THE DAY

COMMITTEE REASSIGNMENTS

The following resolutions (H.R. Nos. 431 and 548) were re-referred as follows:

<u>H.R. Nos.</u>	<u>Referred to:</u>
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431 Committee on Corrections
and Rehabilitation

548 Committee on Water,
Land Use, Development and Hawaiian
Homes

H.C.R. No.

121 Committee on Water,
Land Use, Development and Hawaiian
Homes

SUSPENSION OF RULES

On motion by Representative Yuen,
seconded by Representative Kamalii
and carried, the rules were suspended
for the purpose of taking up bills
on Third Reading on the basis of
a modified consent calendar.

UNFINISHED BUSINESS

Stand. Com. Rep. No. 802-78
on S.B. No. 1627-78 (Deferred from
March 28, 1978):

By unanimous consent, action
was deferred one day. (Appropriation
measure)

Stand. Com. Rep. No. 841-78
on S.B. No. 1660-78, SD 1 (Deferred
from March 28, 1978):

On motion by Representative K.
Yamada, seconded by Representative
Yuen and carried, the report of
the Committee was adopted and S.B.
No. 1660-78, SD 1, entitled: "A
BILL FOR AN ACT RELATING TO
SPEECH PATHOLOGY AND AUDIOLOGY",
having been read throughout, passed
Third Reading by a vote of 49 ayes
to 1 no, with Representative Sutton
voting no, and Representative Ushijima
being excused.

Stand. Com. Rep. No. 842-78
on S.B. No. 2523-78, SD 2, HD 2
(Deferred from March 28, 1978):

Representative D. Yamada moved
that the report of the Committee
be adopted and S.B. No. 2523-78,
SD 2, HD 2, having been read through-
out, pass Third Reading, seconded
by Representative K. Yamada.

Representative Sutton then rose
and asked for a conflict ruling,
stating that he is a hotel owner.

The Chair ruled "no conflict."

At 10:10 o'clock a.m., on request
by Representative Kunimura, the
Chair declared a recess, subject to
the call of the Chair.

Upon reconvening at 10:12 o'clock
a.m., the Chair directed the Clerk
to note the presence of Representatives
Abercrombie and Nakamura.

At this time, Representative Abercrom-
bie rose and asked whether or not
the Chairman of the Committee would
yield to a question, to which Representa-
tive D. Yamada answered in the affirmative.

Representative Abercrombie asked:

"In the relationship between guests
and keepers of hotels, there is, I
believe, a phrase here in the proper
inquiry section in the hotel. Does
that mean a subpoena? Written inquiry,
I think it said."

Representative D. Yamada replied:

"I am not very certain."

The motion was put by the Chair
and carried, and the report of the
Committee was adopted and S.B. No.
2523-78, SD 2, HD 2, entitled: "A
BILL FOR AN ACT RELATING TO HOTELS",
having been read throughout, passed
Third Reading by a vote of 50 ayes,
with Representative Ushijima being
excused.

At 10:14 o'clock a.m., the Chair
declared a recess, subject to the call
of the Chair.

Upon reconvening at 10:17 o'clock
a.m., the Chair directed the Clerk
to note the presence of Representatives
Cobb, Fong and Peters.

S.B. No. 2202-78, SD 1, HD 1 (Deferred
from March 28, 1978):

Representative Suwa moved that
S.B. No. 2202-78, SD 1, HD 1, having
been read throughout, pass Third
Reading, seconded by Representative
Peters.

Representative Abercrombie then
rose to speak in favor of the bill,
stating:

"Mr. Speaker, I would like to draw
the members attention to page 46 in
House draft 1, Section 4. I am very
pleased to see: 'SECTION 4. Act
9, Special Session Laws of Hawaii
1977, Item III-M-4 of Section 2 is amended
to read as follows: "4. Mililani Community

Library, Oahu; Plans and construction for [landscaping] a community library." - \$215,000'.

Inasmuch as we have set the pace for having community libraries in the Makiki district, much to the chagrin of the Department of Education, I am pleased to see that the people in Mililani with whom we have had very close contacts in Makiki, are seeing that a community library is the way to go when you can't get the Department of Education to carry through on its obligations, especially when the Board votes something.

I think this is a big progressive step forward for people who want to have libraries and who, to this time, have been mesmerized by the idea that only the Department of Education can dictate to them where their children and when they themselves can have the advantage of perhaps the single most important resource any community can have which is its library, and I most certainly hope that that item is carried forward on and I congratulate the people there and, most certainly, wish to reiterate here on the floor the willingness of the people in Makiki who have their community library to come to their aid and assistance in any shape or form to bring that project forward to a successful conclusion.

Thank you."

The motion was put by the Chair and carried, and S.B. No. 2202-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAPITAL IMPROVEMENT PROJECTS AND AUTHORIZING THE ISSUANCE OF BONDS", having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

S.B. No. 2620-78, SD 2 (Deferred from March 28, 1978):

By unanimous consent, action was deferred one day. (Appropriations measure)

Stand. Com. Rep. No. 854-78 on S.B. No. 71, SD 3, HD 2 (Deferred from March 28, 1978):

On motion by Representative Suwa, seconded by Representative Peters and carried, the report of the Committee was adopted and S.B. No. 71, SD 3, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOUSING", having been read throughout, passed Third Reading by a vote of 49 ayes to 1 no,

with Representative Narvaez voting no, and Representative Ushijima being excused.

The Chair directed the Clerk to note that S.B. No. 1660-78 had passed Third Reading at 10:06 o'clock a.m.; S.B. No. 2523-78 at 10:09 o'clock a.m.; S.B. No. 2202-78 at 10:20 o'clock a.m.; and S.B. No. 71 at 10:23 o'clock a.m.

STANDING COMMITTEE REPORTS

Representatives Uechi and Mizuguchi, for the Committees on Agriculture and Higher Education, presented a joint report (Stand. Com. Rep. No. 862-78) recommending that H.R. No. 466 be referred to the Committee on Finance.

On motion by Representative Uechi, seconded by Representative Mizuguchi and carried, the joint report of the Committees was adopted and H.R. No. 466, entitled: "HOUSE RESOLUTION EXPRESSING LEGISLATIVE ENDORSEMENT FOR THE ESTABLISHMENT AND OPERATION OF A MASS FRUIT FLY REARING LABORATORY ON OAHU FOR RESEARCH RELATING TO THE ERADICATION OF FRUIT FLIES AND IMPLEMENTATION OF AN ERADICATION PROGRAM", was referred to the Committee on Finance.

Representatives Uechi and Mizuguchi, for the Committees on Agriculture and Higher Education, presented a joint report (Stand. Com. Rep. No. 863-78) recommending that H.C.R. No. 93 be referred to the Committee on Finance.

On motion by Representative Uechi, seconded by Representative Mizuguchi and carried, the joint report of the Committees was adopted and H.C.R. No. 93, entitled: "HOUSE CONCURRENT RESOLUTION EXPRESSING LEGISLATIVE ENDORSEMENT FOR THE ESTABLISHMENT AND OPERATION OF A MASS FRUIT FLY REARING LABORATORY ON OAHU FOR RESEARCH RELATING TO THE ERADICATION OF FRUIT FLIES AND IMPLEMENTATION OF AN ERADICATION PROGRAM", was referred to the Committee on Finance.

Representative D. Yamada, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 864-78) recommending that S.B. No. 1658-78, SD 2, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative D. Yamada, seconded by Representative

Cobb and carried, the report of the Committee was adopted and S.B. No. 1658-78, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII MOTOR VEHICLE ACCIDENT REPARATIONS ACT", passed Second Reading and was placed on the calendar for Third Reading tomorrow, March 30, 1978.

The Chair directed the Clerk to note that printed copies of S.B. No. 1658-78, SD 2, were made available to the members of the House at 10:00 o'clock a.m.

Representative Kiyabu, for the Committee on State General Planning, presented a report (Stand. Com. Rep. No. 865-78) recommending that H.R. No. 437 be referred to the Committee on Finance.

On motion by Representative Kiyabu, seconded by Representative Mina and carried, the report of the Committee was adopted and H.R. No. 437, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF PLANNING AND ECONOMIC DEVELOPMENT AND DEPARTMENT OF BUDGET AND FINANCE TO STUDY AND PROPOSE THE ESTABLISHMENT OF A STATE ECONOMIC PLANNING SYSTEM", was referred to the Committee on Finance.

Representative Kiyabu, for the Committee on State General Planning, presented a report (Stand. Com. Rep. No. 866-78) recommending that H.C.R. No. 88 be referred to the Committee on Finance.

On motion by Representative Kiyabu, seconded by Representative Mina and carried, the report of the Committee was adopted and H.C.R. No. 88, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF PLANNING AND ECONOMIC DEVELOPMENT AND DEPARTMENT OF BUDGET AND FINANCE TO STUDY AND PROPOSE THE ESTABLISHMENT OF A STATE ECONOMIC PLANNING SYSTEM", was referred to the Committee on Finance.

Representative Kunimura, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 867-78) informing the House that House Resolution Nos. 607 to 612, House Concurrent Resolution No. 143, and Standing Committee Report Nos. 792-78 to 860-78, have been printed and distributed.

On motion by Representative Kunimura,

seconded by Representative Lunasco and carried, the report of the Committee was adopted.

At 10:23 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 10:27 o'clock a.m., the Chair directed the Clerk to note the presence of Representatives Caldito, Inaba and Kawakami.

INTRODUCTION OF RESOLUTIONS

The following resolutions (H.R. Nos. 617 to 624) and concurrent resolutions (H.C.R. Nos. 144 and 145) were read by the Clerk and were disposed of as follows:

A resolution (H.R. No. 617) congratulating and extending best wishes to the 1978 Cherry Blossom Court was jointly offered by Representatives Dods, Campbell, Ikeda, Inaba, Kihano, Kiyabu, Medeiros, Morioka, Peters, Say, Segawa, Shito, Stanley, Suwa, Ushijima, Uwaine, K. Yamada and Wakatsuki.

On motion by Representative Dods, seconded by Representative Ikeda and carried, H.R. No. 617 was adopted.

A resolution (H.R. No. 618) congratulating and extending best wishes to Sharon Sanae Tomasa for being selected the 1978 Cherry Blossom Queen was jointly offered by Representatives Dods, Campbell, Ikeda, Inaba, Kihano, Kiyabu, Medeiros, Morioka, Peters, Say, Segawa, Shito, Stanley, Suwa, Ushijima, Uwaine, K. Yamada and Wakatsuki.

On motion by Representative Dods, seconded by Representative Ikeda and carried, H.R. No. 618 was adopted.

A resolution (H.R. No. 619) extending aloha and best wishes to the Nisei Week Queen and her court was jointly offered by Representatives Uwaine and Dods.

On motion by Representative Uwaine, seconded by Representative Dods and carried, H.R. No. 619 was adopted.

At this time, Representative Dods introduced to the members of the House the following: Miss Loris Kurashige, Nisei Week Queen; Princess, Miss Susan Takei; and Mr. and Mrs. Akira Kurashige, parents of Loris.

Representative Dods then introduced the Cherry Blossom Queen and her court, as follows: Phyllis Furukawa,

Karen Tsuneda and Luana Ushijima, Attendants; Cyd Yoshizawa, Princess; and Sharon Tomasa, the 1978 Cherry Blossom Queen.

Representative Uwaine then introduced Mr. Glen Yamada, Chairman of the Cherry Blossom Festival.

Representative Larsen then rose on a point of order and remarked:

"I, too, am part of the Junior Chamber of Commerce, but I am now an exhausted rooster, as probably some of you are aware."

The Chair responded, stating:

"I know that you are exhausted, but I am not sure whether you are a rooster."

Representative Uwaine then presented a bouquet of roses to Miss Loris Kurashige, and Miss Susan Takei received a bouquet of roses from Representative Mizuguchi. Bouquets of roses were then presented to the Princess and attendants by Representatives Larsen, Sutton, Cobb and Lunasco.

A bouquet of red roses was then presented to Miss Tomasa by Representative Dods, and Representatives Ikeda and Say presented the honorees with certified copies of the resolution.

The Chair, at this time, appointed Representatives Dods, Ikeda, Uwaine, Say, Caldito, Peters and Fong to escort Queen Sharon to the rostrum.

The Chair then presented Queen Sharon to the members of the House, stating:

"It is my distinct pleasure to introduce to all of you the 1978 Cherry Blossom Queen, Queen Sharon Tomasa", whereupon she addressed the members of the House, as follows:

"Thank you.

On behalf of the Honolulu Japanese Junior Chamber of Commerce, my court, the Nisei Week Queen, her parents and Miss Tomodachi, we would like to thank you all for having us here today, and we would like to express our deepest appreciation for your continued support these 25 years of the Cherry Blossom Festival.

Thank you."

At 10:43 o'clock a.m., the Chair declared a recess, subject to the call

of the Chair, "for the purpose of extending personal greetings to our honored guests."

Upon reconvening at 10:48 o'clock a.m., the Chair directed the Clerk to note the presence of Representatives Blair, Carroll, Poepoe and Toguchi.

Representative Kunimura, at this time, introduced Mr. David Henriques, son of a former colleague, the late Manuel Henriques, and his wife, who were seated in the gallery.

A resolution (H.R. No. 620) expressing deepest regrets and condolences on the death of Elmo Samson was jointly offered by Representatives Cayetano, Takamine, Peters, Takamura, Ajifu, Aki, Baker, Blair, Caldito, Campbell, Carroll, Cobb, Evans, Fong, Ikeda, Inaba, Kamalii, Kawakami, Kihano, Kiyabu, Kondo, Kunimura, Lunasco, Machida, Medeiros, Mina, Mizuguchi, Morioka, Naito, Nakamura, Narvaes, Poepoe, Say, Segawa, Shito, Stanley, Sutton, Suwa, Toguchi, Uechi, Ueoka, Uwaine, D. Yamada, K. Yamada, Yuen and Wakatsuki.

Representative Cayetano moved that H.R. No. 620 be adopted, seconded by Representative Takamine.

Representative Sutton then rose to speak in favor of the resolution, stating:

"Mr. Speaker, Elmo Samson helped a great deal with a guide dog. The Seeing Eye had brought dogs here and then the quarantine situation had made it very difficult because it was necessary that the blind individual go all the way back to Morristown, New Jersey. Elmo Samson was the one that brought the basic concept to the Seeing Eye Dog into the guide dogs for the blind. My wife was the President nationally of Seeing Eye Dogs and she is greatly grieved, and I would like to put that in the record."

Representative Cayetano then rose to speak in favor of the resolution, stating:

"Mr. Speaker, Hawaii has lost one of its great labor leaders in the passing of Elmo Samson. Elmo, as he was known to many of us, was a local boy, born and raised in Waimanalo. The resolution states many of his accomplishments and achievements, and I will not go over that. However, I cannot avoid saying that as a labor leader, Elmo earned a reputation as a tough leader

whose main concern was the welfare of his members.

Richard Dumancas, the head of the sheet metal workers union, a boyhood friend of Elmo, who grew up selling newspapers and shining shoes with Elmo, described Elmo as a labor leader who was widely and highly respected, but who had a big and soft heart.

Mr. Speaker, Elmo was held in particularly high esteem among the members of Hawaii's Filipino community, so much so that the United Filipino Council of Hawaii, our State's largest Filipino organization, selected him as one of the most distinguished Filipino leaders in the State. Indeed, there is a widespread feeling among the Filipino community that Elmo epitomized the contribution of the Filipino community to our State.

Finally, Mr. Speaker, I would like to add that I and my family feel a personal loss with his passing. Elmo was a good and long friend of my family, ever since the early 1940's. He knew my father; he knew my mother. In fact, my mother was the Godmother of one of his sons, and whenever his name came up, my mother would describe him as 'compadre.' I know he wouldn't mind if I mentioned it here today, Mr. Speaker, but Elmo worked for my mother as a part-time bouncer in a dance hall that my mother ran in Wahiawa.

Mr. Speaker, Elmo will be sorely missed. Many will get up on this floor and acknowledge his great accomplishments and great contributions to the State of Hawaii. I ask that this body extend its condolences to his family and also acknowledge his great contribution on behalf of the working people of the State of Hawaii, and to our State, by adopting this resolution."

Representative Takamine then rose to speak in favor of the resolution, stating:

"I rise this morning to pay tribute to a member of Hawaii's labor leadership. He was a forceful, yet humble and much beloved union labor leader, Elmo Samson.

I join with the others in the community who mourn the passing of this good man, the epitome of leadership for the working people.

I speak today, not only as a legislator, but as one who is part of organized labor.

For over 25 years, Elmo Samson toiled. It takes hard work, skill and real guts to organize workers. Elmo lived with constant stress and strain to represent them on the job, the picket line, away from work, at the bargaining table; and yes, here in the hallways of the Capitol.

Those of us who toil in labor's vineyard, grieve the loss of such a union brother. Elmo Samson was a man; and in the truest sense, 'the salt of the earth.'

While his family and 3,500 other families of the laborers' union must feel the immediate loss - all Hawaii has lost a man of compassion and great heart. He ignored ill-health to serve his people until the very end.

We will all miss him dearly. I know I will. After all his years of service, may he rest in peace."

Representative Machida then rose to speak in favor of the resolution, stating:

"Elmo Samson, the union leader, worked hard in securing for his membership the best possible wages, hours, pension - all the things one expects from an effective, responsible union representation. If it was possible, Elmo Samson got it.

But, Elmo Samson believed in the importance of labor being properly organized and structured. Therefore, he recognized and forthrightly supported the idea of labor unity and solidarity to achieve justice for all workers.

For example, Elmo Samson accepted, promoted, and fully participated in the AFL-CIO program on the federal, state and county levels. His strongly held differences never moved him away from any part of what is the AFL-CIO, and given the opinions of some, this steadfast loyalty reflects the depth of this conviction and commitment to unionism.

My fondest memory of Elmo Samson is when he'd enter a room with his jaunty strut, an uneraseable smile, dark glasses, and keys jingling in his hand. Friend and foe alike knew him and he served the people with honor, integrity, dedication and aloha.

A builder of Hawaii Nei has gone to his rest. His memorial is not our words. His tribute is the outpouring of love by those he served.

Elmo Samson has been tested. He richly deserves these words of Christ,

'Well done, good and faithful servant.
Enter now into the kingdom of Heaven.'

Thank you very much."

Representative Abercrombie then rose and stated:

"It's with great regret that I rise to speak in favor of this resolution. I have an extremely personal reason to do so.

The reason that I feel so much about this resolution as I have written to Mrs. Samson and Elmo's family is that. . . well again, it's not generally very well known. The very start that I was able to make in my efforts, politically, were given to me by Elmo Samson. In the work that I began very naively and hesitantly eight years ago with the AFL-CIO, was supported completely by Elmo Samson, and the time that I was first elected to anything, when I was elected to the District Council, District Five Council, AFL-CIO, in my area, from my union of the American Federation of Teachers, I was nominated, and a speech given for my nomination by Elmo Samson. It's with that election that I began my association with the AFL-CIO and, subsequently, decided to try to carry further the work that I was. . . I hoped that I could stay dedicated to by running for the Legislature.

I'm glad to be able to say that I had the opportunity, when my mother and father were able to be here together, to introduce them to Elmo, because I had mentioned to them previously as to what he had done for me. And, inasmuch as that opportunity, of course, for them to see each other will no longer be here again, it will be something that I will be able to treasure in that they were able to meet him and know who it was that gave such a hand up to me.

The speech that he gave for me, I had no idea about. I had no idea that he was going to push for me the way that he was going to do it. As Representative Machida has said, he was well beloved and when he went and did things, it was in an open and completely captivating manner such as very few of us are able to extend to our fellow human beings.

I wrote to Mrs. Samson and her family that I will never forget what he did for me. I'll never forget that and I'll never forget him, and I just hope that in time to come, that whatever work I may be associated with, in

respect of the interest of this State, and in the working people, and all the citizens of this State, that I can live up to the path that was set for me when Elmo Samson gave me my first chance."

The motion was put by the Chair and carried, and H.R. No. 620 was adopted by a rising vote.

A resolution (H.R. No. 621) honoring Mildred Toledo on her retirement from Hawaii Community College was jointly offered by Representatives Segawa, Abercrombie, Ajifu, Aki, Baker, Blair, Caldito, Campbell, Carroll, Cayetano, Cobb, Dods, Evans, Fong, Ikeda, Inaba, Kamalii, Kawakami, Kihano, Kiyabu, Kondo, Larsen, Lunasco, Machida, Medeiros, Mina, Mizuguchi, Morioka, Naito, Nakamura, Narvaes, Peters, Poepoe, Say, Shito, Stanley, Sutton, Suwa, Takamine, Takamura, Uechi, Ueoka, Ushijima, Uwaine, D. Yamada, K. Yamada and Yuen.

On motion by Representative Segawa, seconded by Representative Sutton and carried, H.R. No. 621 was adopted.

A resolution (H.R. No. 622) commending Dr. Edward W. Colby, Associate Medical Director of the Rehabilitation Hospital of the Pacific, Honolulu, Hawaii on his retirement was jointly offered by Representatives Segawa, Ajifu, Aki, Baker, Blair, Caldito, Campbell, Carroll, Cayetano, Cobb, Dods, Fong, Ikeda, Inaba, Kawakami, Kihano, Kiyabu, Kondo, Kunimura, Larsen, Lunasco, Machida, Medeiros, Mina, Mizuguchi, Morioka, Nakamura, Narvaes, Peters, Poepoe, Say, Shito, Sutton, Suwa, Takamine, Takamura, Toguchi, Uechi, Ueoka, Ushijima, Uwaine, D. Yamada, K. Yamada and Yuen.

On motion by Representative Segawa, seconded by Representative Sutton and carried, H.R. No. 622 was adopted.

A resolution (H.R. No. 623) honoring the Hawaii Sports Hall of Fame and Museum upon its inaugural banquet was jointly offered by Representatives Say, Abercrombie, Ajifu, Aki, Baker, Blair, Caldito, Campbell, Carroll, Cayetano, Cobb, Dods, Fong, Garcia, Inaba, Kamalii, Kawakami, Kiyabu, Kondo, Kunimura, Larsen, Lunasco, Machida, Mina, Mizuguchi, Morioka, Naito, Nakamura, Narvaes, Peters, Segawa, Shito, Stanley, Sutton, Suwa, Takamine, Toguchi, Uechi, Ueoka, Ushijima, Uwaine, D. Yamada, K. Yamada and Yuen.

On motion by Representative Say, seconded by Representative Yuen and carried, H.R. No. 623 was adopted.

A resolution (H.R. No. 624) concerning the contributions of Frank DeMello to the community and expressing sympathy to his family upon his death was jointly offered by Representatives Takamura, Aki, Campbell, Garcia, Abercrombie, Ajifu, Blair, Caldito, Carroll, Cayetano, Cobb, Dods, Evans, Fong, Ikeda, Inaba, Kamalii, Kawakami, Kihano, Kiyabu, Kondo, Kunimura, Larsen, Lunasco, Machida, Medeiros, Mina, Mizuguchi, Morioka, Naito, Nakamura, Narvaes, Peters, Poepoe, Say, Segawa, Shito, Stanley, Sutton, Suwa, Takamine, Toguchi, Uechi, Ueoka, Ushijima, Uwayne, D. Yamada, K. Yamada, Yuen and Wakatsuki.

On motion by Representative Campbell, seconded by Representative Garcia and carried, H.R. No. 624 was adopted by a rising vote.

A concurrent resolution (H.C.R. No. 144) expressing deepest regrets and condolences on the death of Elmo Samson was jointly offered by Representatives Cayetano, Takamine, Peters, Takamura, Ajifu, Aki, Baker, Blair, Caldito, Campbell, Carroll, Cobb, Evans, Fong, Ikeda, Inaba, Kamalii, Kihano, Kiyabu, Kondo, Kunimura, Lunasco, Machida, Medeiros, Mina, Mizuguchi, Morioka, Naito, Nakamura, Narvaes, Poepoe, Say, Segawa, Shito, Stanley, Sutton, Suwa, Toguchi, Uechi, Ueoka, Uwayne, D. Yamada, K. Yamada, Yuen and Wakatsuki.

On motion by Representative Cayetano, seconded by Representative Takamine and carried, H.C.R. No. 144 was adopted.

A concurrent resolution (H.C.R. No. 145) honoring the Hawaii Sports Hall of Fame and Museum upon its inaugural banquet was jointly offered by Representatives Say, Abercrombie, Ajifu, Aki, Baker, Blair, Campbell, Carroll, Cayetano, Dods, Fong, Garcia, Inaba, Kamalii, Kawakami, Kiyabu, Kondo, Kunimura, Larsen, Lunasco, Machida, Mina, Morioka, Naito, Nakamura, Narvaes, Peters, Segawa, Shito, Stanley, Sutton, Suwa, Takamine, Takamura, Toguchi, Uechi, Ueoka, Ushijima, Uwayne, D. Yamada, K. Yamada and Yuen.

On motion by Representative Say, seconded by Representative Yuen and carried, H.C.R. No. 145 was adopted.

At 11:10 o'clock a.m., the Chair declared a recess, subject to the

call of the Chair.

The House of Representatives reconvened at 11:25 o'clock a.m.

THIRD READING

The following bills, which were on the calendar for Third Reading, were read throughout, and the following actions taken:

S.B. No. 1950-78, SD 1, HD 1

Representative Shito moved that S.B. No. 1950-78, SD 1, HD 1, having been read throughout, pass Third Reading, seconded by Representative Nakamura.

Representative Campbell then rose to speak in favor of the bill, stating:

"Mr. Speaker, under the able leadership of the Chairman of the Housing Committee, Representative Shito, our Housing Committee had to bite the bullet and amend Senate Bill No. 1950-78, Senate Draft 1, by deleting Section 2 of the bill because our Committee felt that this section provided the Hawaii Community Development Authority with unprecedented, and to be sure, unwarranted autonomy, and that is the reason we eliminated that section. But, during the hearing, our Committee discovered that there was some lack of cooperation between some of the departments related to the Hawaii Community Development Authority and our Committee questioned some of the department heads that full cooperation between our departments is essential to effective government.

So, Mr. Speaker, with those observations, I urge the support of this bill.

Thank you."

The motion was put by the Chair and carried, and S.B. No. 1950-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY", having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

S.B. No. 1855-78, SD 1, HD 1

Representative Garcia moved that S.B. No. 1855-78, SD 1, HD 1, having been read throughout, pass Third Reading, seconded by Representative K. Yamada.

Representative Carroll then rose to speak in favor of the bill, stating:

"Mr. Speaker, a number of years

ago, when this bill first came into being, or rather, when this law first came into being, it was the intent of the Judiciary Committee that the effect that is clear in Senate Bill No. 1855-78, Senate Draft 1, House Draft 1, be accomplished. It was almost incomprehensible to me that other interpretations could have been made, but as happens, when it can be, it is, and I compliment the Chairman of the Judiciary Committee in getting this bill out.

I urge all to vote 'aye'."

Representative Garcia then rose to speak in favor of the bill, stating:

"I hate to disappoint Representative Carroll, but this bill is designed as a vehicle for further discussion in conference because the Triple X bill that we had previously passed in the House has been filed by the Senate, and we have scheduled a meeting with the Parole Board and the judges, tomorrow at three o'clock, will meet to discuss mandatory sentencing. So, if we didn't have a vehicle for further discussion and conference, we wouldn't be able to incorporate some of the recommendations made by the Parole Board into a bill such as this, and that's the reason why we're working on this bill on this floor."

At 11:31 o'clock a.m., on request by Representative Cayetano, the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:33 o'clock a.m., the Chair recognized Representative Garcia and he stated:

"Mr. Speaker, I'd like to assure the members that this is designed as a vehicle and not a train."

Upon being recognized, Representative Abercrombie stated:

"Thank you, Mr. Speaker. I'd like to rise and speak against the bill.

If the object is indeed to be a vehicle and not a train, it is a vehicle which must crash as rapidly as possible, hopefully, at the end of the wall where it cannot move away from. And as a train, if it should become a train, despite the best efforts of the Judiciary Chairman, it is one that needs to be derailed before it ever gets going, something like, perhaps the cartoon that Mr. Lyons had in the paper the other day showing the HART transit train being derailed by one of the

more recalcitrant committees in the House of Representatives, and I mean that quite seriously. If there are going to be discussions with judges concerning these things, if there are going to be continued discussions on this, this is not the time nor the place to be doing that. That should be done before the next session.

A bill should come forward then that will not be a vehicle bill, not something that's going to be done in haste or in some kind of trade-off situation. I think that we should defeat this right now and those who want to deal with mandatory sentencing should have their meetings, get everything in order that they want to pursue and then come back next year and try to do it, to try and bring something together under pressure, if you will, from the Judiciary - from anybody, for that matter.

At this particular time, I think, is a very, very bad way to handle legislation, especially when it involves this mandatory sentencing situation. I have no doubt that the Judiciary Chairman would, in all likelihood, attempt to ameliorate some of what I believe to be the more harsher and perhaps ill-conceived aspects of some of the mandatory legislation we've been dealing with so far. But to pass the bill is to open up the possibility for the train, despite the best efforts of the engineer that we have in the House to keep it from leaving the station, he may be overwhelmed by other forces in the cab of the train taking over and it runs right out of the station. I wouldn't like to see that happen, and I think, therefore, that we should vote no on this House draft 1 on this Senate bill.

Thank you."

Representative Carroll then rose and stated:

"Mr. Speaker, I rise once again to speak in favor of the bill.

Mr. Speaker, there has been the. . . I don't know whether they're allegories or what's the proper term for the train, but I think that the engineer on the other side of the track, with the train heading this way, if he has his way, then we'll see the guts of this bill taken out. I think that most of us have no quarrel, perhaps, with reducing some of the terms; for instance, for a second conviction from five to three, or perhaps even two, or for the third conviction, from ten to eight, or perhaps even five, but I think that the basic

philosophical premise that underlies this particular bill must not die in this session, and I think that this is a matter that is long overdue, and it's one that must come out of this session, and I don't think that the Conference Committee should be concerned with anything more than the term of year, and certainly to stop this particular measure at this time would be to cause great injustice to our community, and I think there will be a tremendous hue and cry, and I would be involved with raising it if this matter does not come out of this session.

I urge all to vote 'aye' on this measure."

Representative Kunimura then rose to speak in favor of the bill, stating:

"In doing so, I'd like to thank the Chairman of the Judiciary Committee for being so honest and candid about the possibility of this bill. I certainly would have raised holy hell if it left the House and came back with something other than the old piggy-backing, but we know now what we're going to vote on and if we're talking about 'let's do it next year', you won't be able to touch the Senate with a ten foot post for another four years, so we should try everything in our capacity to try and get legislation like this now, and I urge all my colleagues to vote in favor of this bill."

Representative Naito then rose and stated:

"Mr. Speaker, I rise to speak in favor of this bill although with reservations, but again, I guess Representative Kunimura took it away. I was going to also congratulate the Judiciary Chairman. I think that we should back him and support him on this particular measure and, hopefully in conference, it will come out to be something that we all can accept.

I urge a 'yes' vote from everyone. Thank you."

Representative Abercrombie then rose and asked whether or not the Judiciary Committee Chairman would yield to a question to which Representative Garcia replied in the affirmative.

Representative Abercrombie then asked:

"Mr. Speaker, as I say, it just occurred to me, and I'm not quite sure whether the answer can even be given now. Would it be possible, if the bill passed, for the Senate to amend the bill; in turn, to add the

death penalty under this section? I hear one member saying 'no', who I haven't addressed, and another member whom I asked saying it was possible. That's why I'm asking the question of the Chairman."

Representative Garcia answered:

"Mr. Speaker, from my limited understanding of the rules, I would assume that, no, they couldn't, because it would have to be in one of the drafts, either from the House or the Senate, for it to be included in a conference draft under the House Rules."

At this time, Representative Uwayne rose and asked for a recess, and at 11:40 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:41 o'clock a.m., the Chair recognized Representative Kunimura and he stated:

"Mr. Speaker, although I support strongly limited capital punishment, I'd like to assure this body that if it should come back from the Senate loaded on this bill, I will fight it with all my effort and my stamina, because I will fight piggy-backing although I support the idea. Under our Rules, I'm pretty sure, you know, our Committee Chairman will not accept anything, and if the Senate wishes to impose such an undesirable and unacceptable compromise on behalf of the House conferees, I'm pretty sure our House conferees will reject it and let them be responsible for the death of this bill."

Representative Cobb then rose and stated:

"I'd just like to echo the same remarks as the senior Representative from Kauai and add an observation that, in terms of the bill, I was personally grateful to receive some of the input from Judge Lanham and others. And I think that many of his comments were well taken and it should be a productive meeting tomorrow, and I concur with the Chairman of having this as a vehicle and if some are concerned, we will have members of the Committee overwhelmed by those in the cab, that we can always add an anti-hijacking provision."

The motion was put by the Chair and carried, and S.B. No. 1855-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SENTENCING", having been read throughout, passed Third Reading by a vote of 47 ayes to 3 noes, with Representatives Abercrombie, Peters and Stanley voting no, and Representative Ushijima being excused.

S.B. No. 2595-78, SD 1, HD 1

Representative Garcia moved that S.B. No. 2595-78, SD 1, HD 1, having been read throughout, pass Third Reading, seconded by Representative K. Yamada.

Representative Sutton then rose and requested that his remarks given on the Forty-Seventh Day (March 28, 1978), be incorporated into the record, and the Chair, noting that there were no objections, "so ordered."

Representative Abercrombie then rose to speak against the bill, stating:

"I am not satisfied from the discussions concerning the Fifth Amendment, and the aspects of intent and the aspects as to what is the grant of immunity, in respect of this becoming a felony.

The implications to me is the laymen, although I've been assured by attorneys in the House from both parties, that they interpret things otherwise, but unfortunately, we've seen instances in court every day in which attorneys differ and both of them think that they're correct and it sometimes turn out that neither one of them are correct. So I think it is incumbent upon anybody passing laws as to whether they're lawyers or not, to take a good look at what we're doing, if nothing else, the philosophy behind it.

Obstruction of justice. Now, the phrase itself is somewhat notorious because it is associated with the Watergate circumstances nationally in which obstruction of justice, if I understand it correctly, was the principal legal basis upon which much of the various trials and charges, et cetera, took place, other than perjury. And it says that a person commits the offense of obstruction of justice if he intentionally engages in the following conduct.

Well, I'm told that there is a great body of law around intentional. . . in what intentionally is, but there is really no specific definition; that it pretty much becomes case specific, if I understand the semi-seminar that I have been getting on this, so if it is case specific, and not generally applicable except in a very abstract way, it could have rather disastrous results, especially if you're dealing with a political trial, and I'm not just referring in this instance to the recent situation with the Mayor of the City and County. We can go back as far as the situation with the Reinecke's, say, three decades ago, or any other circumstance that may be involved.

It could be, perhaps, for someone who witnessed the notorious case, say, a rape situation, or is said to be a witness to a case in a rape situation; something that might involve the witness; perhaps, feeling that he or she may even be endangering their lives by testifying. That's what I'm trying to get to. It doesn't necessarily have to have sorted connections. It could have connections in terms of a witness and immunity on the simple basis of fear for one's life.

In addition. . . and then it's in that conduct, when called upon as a witness and having them granted immunity, pursuant to Chapter 621C. Well, I'm not sufficiently sophisticated in all of the aspects of immunity and what it means and does not mean although I do know, in a recent instance with Mr. Cooper who asked for legislative immunity, that no such thing exists. Now, again, he is an attorney and he repeatedly asked for this kind of thing, and I researched that, and I find that no such thing exists except for legislators. Now, maybe, some other kind of immunity was meant and that's part of my problem with the bill. It just says here, 'granted immunity'. Now, that may mean a lot of things to a lot of different people, especially to the person to whom it has been granted. That person may think that the immunity means one thing. The defense, or the prosecution, or the judge, or all three, may think it means something else. But that person, in the course of events, determines that what he or she thought to be immunity is not the kind of immunity, or all the conditions, I should say, of that immunity are not such that the person who has been granted it believes any longer that he or she has immunity.

Then why should they run the risk or be forced to run the risk of the Class C felony to test that? Contempt of court is one thing. If one has sufficient regard as a witness, in respect of immunity, to wish to want to challenge the fact that the immunity is all that it is said to be and to take one's chance on a contempt of court charge, that's one thing. But to put it in a Class C felony category puts it to another level.

I think the word is chilling. The effect is chilling; that the person who faces that might be much less likely to challenge this situation. Now, I presume that is, in fact, the reason why the Class C felony is attached to it - to make it less likely that people do that. But, is that in our interest, in terms of justice, in the United States? I really don't think so. Among other things, rather than be caught in this circumstance of being charged with a felony, one might be induced to lie.

I would ask the members to think as a mirror image, a reversal, if you will, as to why the bill may be before us, because people may be granted immunity and then don't carry through as witnesses on that immunity, we need to do something to make sure they do carry through. Therefore, we're going to make this a Class C felony. Well, I would submit to you that it's just as likely if someone believes that immunity is not all that it should be and they, after all, are the ones who should be deciding it. They're the ones who have to live with it. They're the ones who, at some point, for example, may utilize their Fifth Amendment privileges - immunity or not. They are the ones who have to decide it.

With the felonies staring at them, it may be quite true that you could get them to testify. As to whether they would testify to the truth, that is quite another situation indeed. It's quite another case altogether. So, when you refuse to testify or be qualified as a witness when duly directed to do so. . . now I understand that judges can direct people, witnesses, to answer questions with immunity or not. I understand all that. I understand the philosophical and legal - the judicial basis - upon which this exists and that there is a body of law around it in 621, preceding number C, which addressed itself to that.

The reason for this being here, then, is obscure to me inasmuch as there are so many avenues already available and utilized by the Judiciary to direct people to answer questions, to direct witnesses to answer questions once they have been qualified as a witness, including contempt of court, and including the citation of immunity to direct and to answer questions.

Why then do we need to move into a Class C felony situation? The courts already have ample opportunity and latitude in terms of the law already written, and apparently in the cases already adjudicated over time, in this area.

What is the compelling interest that we move to the felony status? When you move from a misdemeanor to a contempt of court situation; in this instance, a felony circumstance, you have, by definition, moved into another order, another category of offense, much more heinous in the eyes of society.

A felony is a felony precisely because it involves prison and it involves prison for what I believe is called high crime. I may be incorrect in that - high crimes are separated from misdemeanors. I don't know whether that is exclusively devoted to felonies or not, but the fact of the matter remains that, for the person who may be involved in such a situation, an accusation which may result in a felonious finding, a finding of felonious intent and, therefore, conviction on a felony is far more obviously dangerous, but the fear element is extreme.

What is the compelling state interest that brings this forward at this time? I know nothing of that. I can see nothing that warrants this kind of reaction. I can see that it might have the opposite effect, and so, in the absence of a compelling reason, in the absence of any clear delineation in presentations to me about the origin of this bill, the necessities of this bill, the definitions and implications of this bill, as to where it will go should it pass, in the absence of all of these things, I think that it should be defeated."

Representative Garcia then rose to speak in favor of the bill, stating:

"Mr. Speaker, I'd like to illustrate with an example as to why I believe this bill is necessary and why there is a compelling state interest to enact this bill.

The primary reason for having a Class C felony involved with obstruction of justice is in a situation where a person perhaps may be an accessory to a murder, a rape, a kidnapping, or some other Class A or Class B felony. If some type of agreement is reached with the prosecutor in the courts to grant that individual immunity for him to testify against others who were involved in that felony and the immunity is given to him and then he refuses to testify against the others, that person, who, if he wasn't given immunity and was tried and was found guilty, could have been found guilty of a Class A, Class B, or Class C felony at the time. If he refuses to testify after given immunity, the most that he could get would be a criminal contempt of court. A criminal contempt of court penalty is one year maximum. So, in other words, instead of getting hit with a twenty year sentence, the most that that person could get would be one year. That's the reason why the Committee felt that a penalty of this type was necessary.

Secondly, as far as the meaning

of immunity, it is true that the current language on the books right now is misleading. We will have a bill, a Senate bill without a House draft, that will be coming to the floor within a week or so that will define two kinds of immunity - transactional immunity and use immunity. That will, I think, allay some of the fears the Representative from Manoa has.

And third, as a reminder, when a person is granted immunity to testify or be qualified as a witness in a court proceeding, he automatically waives his right to utilize the Fifth Amendment. And because of these reasons, Mr. Speaker, we feel that this bill should pass.

Thank you."

At 11:55 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:56 o'clock a.m., the Vice Speaker assumed the rostrum.

Representative K. Yamada then rose to speak in favor of the bill, stating:

"Mr. Speaker, the integrity and the effectiveness of our judicial system depends upon individuals coming before the court, whether they're compelled to come before the court or on their own volition and to testify. It also depends on their testimony; that is, their testifying truthfully. Contrary to the allegations made by the Representative from the Manoa/Makiki district, if the individual does testify falsely, and if this particular bill is going to encourage him to testify falsely, the individual could be prosecuted for perjury as well - another felony.

The compelling state interest which is involved in the adoption of this particular bill is that when the immunity is given, the Fifth Amendment does not apply. So he has absolutely . . . that is, the witness has absolutely no reason not to testify except if his intent is to make a mockery out of justice.

Thank you, Mr. Speaker."

Representative Cobb then rose to speak against the bill, stating:

"Several of the items have come out, I think, that need to be addressed.

First of all, if the intent of the Committee, or the compelling state interest is to resolve the matter of forcing the witness to testify, where that person has witnessed a Class A or Class B felony, or a crime of violence, then that should be specified in the bill, but it is not. The way this bill reads, an individual who is accused of a misdemeanor could be compelled to testify and if he refuses to do so, could be convicted of a Class C felony. Reading the provisions of the bill, I see no limitation on the type of offense in which this Class C felony could be involved.

Secondly, I know there was some concern in the Committee about organized crime. It seems to me, if we wanted to direct our efforts against organized crime, or against heinous crimes of a Class A or B felony, or crimes of violence, then we should specify so in the bill. That has not been done.

Finally, Mr. Speaker, I don't think we've addressed the situation completely as to what would happen if the individual is under threat that he refuse to testify even though he or a member of his family had been threatened, that he would have to present evidence of that, but the court would have the discretion of saying, no, you go right ahead and testify and if you don't, you can be held for a Class C felony.

In short, Mr. Speaker, I don't think we've completely thought this thing through as to what our intent is. I know what this supposed compelling state interest is, and that is when you have a heinous crime or a major felony, you have a witness, you want to force that witness to testify, you would have this device to do it with. That's not outlined in the bill. That's not even limited in the bill.

And last, Mr. Speaker, I think this bill, like it or not, arises from a situation that happened in a trial that took place last year, and I don't like to see legislation. . ."

At this point, Representative K. Yamada interrupted on a point of order and stated:

"This particular bill could not be applied to a trial which occurred last year. If it did. . ."

Representative Cobb, on a point of order, interrupted and stated:

"That is not a debatable point. The point of order, Mr. Speaker, goes to the Rules of the House, not to the merits of an issue.

Let's go back to that situation that was just mentioned. If another case was alleged against the same or similar party, not involving the facts of the last case but an entirely different case, then it could be brought to trial and then instead of fifteen days or one year, a period of up to five years could apply.

I'm afraid I just have a personal aversion to legislation that is targeted against a, you know, situation or an individual."

Representative K. Yamada then rose and stated:

"Mr. Speaker, I'd like to address some of the comments made by the previous speaker, taking the last comments that he made first, pertaining to the trial which occurred last year.

I think every member of this House is well aware that this particular bill could not be applied to the situation which existed last year. If that were the case, Mr. Speaker, we would have an *ex post facto* law and unconstitutional under the State Constitution.

The previous speaker recognized that this particular bill addresses problems where there is a witness to a heinous crime who testifies, and he agrees with us on that point so it is not necessary for me to belabor the point. But he brings up the point of a misdemeanor case. If the individual refuses to testify in a misdemeanor case, he could be prosecuted for a felony, true. But then again, too, this is one of the ways in which we uphold the integrity of our judicial system. If the individual refuses to testify in the misdemeanor case, he is well aware of the consequences that could befall him. If he wishes to accept the felony, fine - that's his own choice. He has the choice, Mr. Speaker, so he's making the choice himself whether he is going to accept the felony or go through with a misdemeanor.

As far as the reference to organized crime, it is true, Mr. Speaker, we did discuss that in Committee. But this bill is not designed merely to look into organized crime. That's been suggested time and time again that this particular statute has been used by the Federal government in controlling organized crime. But that is not our only intent, Mr. Speaker. Our intent is to look at

all situations which could come up before the court and organized crime is not the only one. It is, perhaps, just a minute portion of it and that's why we don't deal with organized crime in this particular Committee Report. I think the previous speaker missed a point.

As far as individuals, witnesses who are under threat, the previous speaker has been on the Judiciary Committee now for the past two years and he knows that we've dealt with quite a number of bills dealing with justification as a defense. Justification duress is a complete defense, so if a person is under duress not to testify and he is charged with a felony, then he can come into court and show that duress or justification, Mr. Speaker.

Thank you."

Representative Cayetano then rose to speak against the bill, stating:

"Mr. Speaker, I think the . . . first, I'd like to make one point clear. I, like the previous speaker, am a member of the legal profession. I'm an officer of the court. I disagree that one upholds the integrity of the court by passing a law which may impose a penalty in a misdemeanor case, for example, which is harsher than the alleged offense that the witness is disinclined to testify about. One way to uphold the integrity of our court is to make sure that our penalties are just and they fit the offense.

Now, there's some discussion about defense of justification and duress. If a witness refuses to testify, whatever his reasons, the point was made that he may raise these defenses as a defense to a prosecution under this statute. That's true.

The practical problem is that raising such a defense opens up or requires the witness to bring into evidence into court and expose much of the things that he was disinclined to testify about in the first place. So then the person, the witness, is left in a very, very tough position.

I think we had better really think through what we want to do with this bill. The ramifications of a felony of conviction are tremendous. People are barred from holding certain jobs because they may be convicted of felonies. Conviction of a felony is a stigma in this society. So, I don't want to go over the grounds that were discussed earlier, especially by Representative Cobb who I thought brought

up some very pertinent points, and I think the points that he brought up may raise some constitutional questions about this bill if it is ever passed, and also the points raised by Representative Abercrombie about whether this kind of bill is a just one in terms of there being a compelling state interest.

If we wanted to address the problem of organized crime, or the problems of a person who may be an accomplice to a serious crime, then we should have done so by detailing that in the bill. We have not done so. This bill has too broad a brush. It covers all kinds of situations.

Let me cite an example. Suppose, in a tax case or an embezzlement case which is a felony, the witness is the accountant who may have been doing the books of the person who is the target of the prosecution. And suppose that person is innocent, but he . . . since he was the accountant, there's some question about, in the prosecution's mind anyway, whether that person is guilty of a crime, and so he is granted immunity. That person may be in a very, very tough situation. His lawyer may advise him not to testify even though he may be innocent, so I think we should think about these problems and, you know, if we want to come back next year and address this discussion, that's okay with me, but as far as I'm concerned, this bill is a bad bill."

Representative Sutton, in rebuttal, stated:

"I do feel that they haven't covered the the basic violation of the Bill of Rights that this bill brings. The Bill of Rights has the most sacred thing of democracy - a right against self incrimination. Study your history. Look at Adolph Hitler. This is the first thing he put in the books on the Third Reich. Don't give them that right not to incriminate themselves. Force them to be witnesses. Force them into a position where there's hanging over their head the Sword of Damocles of a felony.

Now, we have on our books a very concise statute - 'Witness Immunity, 621C: A witness who will search his privilege against self incrimination before a court or Grand Jury may be directed. . .'. Then, it goes on and furthermore it says that 'he may not at any time be prosecuted or punished in any criminal action

or proceeding', meaning also a Federal court, which might be brought into action at the same time and the inhibitions of this apply and the Federal rules of civil procedure prohibit. Now, all of a sudden, what have we done? A very loosely drawn bill of six lines and we're saying, testify or else you've got a Class C felony.

I would urge all of my colleagues to vote against this denial of the basic right in the Bill of Rights - the right against self incrimination."

Representative Abercrombie was recognized and he stated:

"Thank you, Mr. Speaker. Still, I'm the bearer of the faith that we debate on this floor because we wish to not necessarily have made up our minds on everything that we do and that's the reason that we had the debate; that it's not a proforma. I've changed my mind on this floor. I've changed my mind in caucus as a result of what people have said, but I do believe that this bill is such that, in the points raised about it, is such that the good intentions are only that - good intentions. I cannot conceive that it is in the interest of the State to put a felony circumstance on someone who may be under duress, who may be testifying in a misdemeanor situation. If that is not cruel and unusual punishment under the Constitution, I don't know what could be categorized as that.

Cruel and unusual punishment - I'm assuming that five years in prison for not testifying in respect of an auto accident or that one is not sure as to what the immunity means or does not mean. Five years in prison is cruel and unusual punishment. I do not believe there is a question necessarily so easily answered about choice. And now again, as I say, I'm just a layman. I'm not an attorney, but it may be that these words like choice are much more easily arrived at in a legal profession than by those who have to go into court about it. Presumably, if one puts a gun to my head and says, 'please', when he asks me to get in the car, I'm given a choice. I don't have to get in the car, but if there's a gun at my head, I really don't think that the additional point about saying 'please' and 'thank you' along the way makes all that much difference. It's not a question of courtesy.

It seems to me that under the situation, and it's more, and that's why I'm speaking a second time - it's more firm in my mind than it was before, because when I stood up the first time, I was really

engaging in. . . and as I said, I've been thinking a lot about it since it came up and especially some of the things that have been raised by the people that are for it who talked to me about it, and it just still doesn't add up and I began to think to myself as this discussion went on, that's why I'm bringing it to your attention right now.

What if this had been the Reinecke's. It says any case, you know. It's abstraction of justice. What if it had been some other situation that any of us might get involved in very, very easily. All of a sudden, I'm up against the felony and they could be charged. You know, they could be granted immunity - the Reinecke's could have been granted immunity, right? And then, all of a sudden, they had to talk about their political beliefs. Well, nobody's going to tell me that some judge granting immunity is going to supersede people's rights to keep their political beliefs to themselves. Now, if I had to go to jail for a year, boy, I sure wouldn't like it. That's for damn sure to do that. But I think I'd be God damned before I'd let some judge do that to me, no matter what some lawyer told me was right. They used to hang witches, too, burnt them, and there were lawyers for that, too. Just because there's lawyers doesn't mean that that's what's just. And just because they tell you what the laws about doesn't mean that that's what the law is about, or that that is what the Constitution is about. But, I suppose if I had a five year ticket, I might just swallow it and lie and then face myself for the rest of my life saying, yeah, I did it. I didn't do what I wanted to do because I was scared witless of five years. Now, that is one thing to do things, I suppose. It's one way to run a society. I think Captain Blithe had something like that in mind on the bounty. Now, this is the kind of thing that we do, and I've been admonished on this over and over again since I came into the Legislature.

I understand the emotions here about it, but I just don't feel that, in good conscience, can it really be used against any circumstance, and an individual under our Constitution would suffer irreparable consequences.

Thank you."

Representative Garcia then rose in rebuttal, stating:

"Just one last point that I'd like to make is the Committee didn't act out of emotion. The Committee is not really working on a bill that would be contrary to the Bill of Rights as mentioned by the speaker from Nuuanu.

What seems to be the problem in this particular bill in the minds of these individuals is that the use of immunity is going to be granted in many instances. The examples that were brought out by the Representative from Waialae was the use of immunity in a misdemeanor case. Another example that was brought out was that of an individual involved in an auto accident. Mr. Speaker, it's not going to happen very often where the use of immunity is going to be given in these circumstances in the first place.

And secondly, when the judge grants that immunity to an individual, that individual, in more instances than not, will have agreed to that grant of immunity. It is true that he doesn't have the option, but there are very few instances, if any, where an individual is granted immunity without his consent.

Mr. Speaker, the individuals that spoke against this bill seem to have missed a point in the example that I have brought out. When an individual is an accessory to a murder, and he's called to testify and given immunity, testify against others involved in it - under the current statutes, he could get away with a criminal contempt of court which is punishable only up to one year if he's granted immunity. In other words, he would have beaten a twenty year rap in favor of a one year rap that he could have gotten from the court. And that's one of the reasons why the Committee worked on this particular bill.

Another point that was brought out that I'd like to end up with is this particular bill is not targeted against any individuals, as alluded to by one of the previous speakers. It is not the result of a trial that has taken place. It is not the result of any one individual that has been involved in a criminal contempt of court proceeding, in loss or whatever the case may be. We feel that this particular bill is necessary. It's going to be an aid that we think will bring about more equalization of justice in the courts.

Thank you."

Representative Carroll then rose to speak in favor of the bill, stating:

"I would like to say that I concur with the rebuttal remarks of the Judiciary Committee Chairman. I'd just like to

add a couple of items.

One is that under Section 621 - 1 of the Hawaii Revised Statutes, and the several sections that appear thereafter, it is quite clear that we're not doing anything here that is already not the law. The simple thing that is being done here is that they're giving the court, or we would be giving the court, in effect, the latitude that they do not have now. And I think it is a compelling argument that the Judiciary Committee Chairman makes with respect to this particular item. If this were a mandatory Class C felony, if the judge should find the person in contempt of court, then I would agree with the other comments that have been made. But, as long as this lies within the discretion of the court, I see absolutely no danger, no infringement of the Bill of Rights, no constitutional violation, and I think that this measure is another one of the type of things that we need in this community to insure that we can cut the crime rate. I think that it is absolutely necessary that we have it and for those reasons, I urge that we vote on it."

Representative Cayetano then rose in rebuttal, stating:

"Mr. Speaker, just two short points.

First of all, I don't disagree with what the bill is generally intended to do. I think the intent is good. I disagree with the Chairman of the Committee when he gives us his assessment of what may or may not be done by the court. We should not be in a position here to graph and pass and enact legislation which are based on probabilities or possibilities.

My objection to this bill is that it is not specific enough. It does not specifically detail what the Chairman says what the Committee is trying to do.

Now, the other point is the Chairman brought up the example of the person who may have been in complicity with a murder or robbery, et cetera, and the argument he gives is that the person may be granted immunity and upon refusing to testify, he beats a twenty year rap and under the statute - the existing laws - he can only be prosecuted and sentenced to one year. Well, that kind of example presupposes and does violence, I think, to one of the basic assumptions of our system of criminal justice.

First of all, everyone is presumed innocent until proven guilty. We had better operate and continue to operate under that premise. And I think that it is not wise to make these kinds of analogies without taking into account the basic concept of our system of criminal justice. In my view, it is flagging a red herring."

Representative Cobb rose in rebuttal, stating:

"Mr. Speaker, a couple of rather brief points. I'd like the legislative history of this bill to reflect who requested its introduction and who testified for it and then let the record speak for itself because I would use the analogy of a duck. If it walks like a duck and has a bill, and white feathers, and wet feet and quacks, then the thought might just enter into your mind that it is a duck.

Secondly, we just recently recommitted a bill that provided that the justification would be in the affirmative defense, and I'm sure that bill is going to be coming before us in the future. That would place a witness in a rather awkward position of having to prove with a preponderance of the proof that his justification is indeed valid, that it would be warranted to be used in court, and in the situation involving duress or threats, I think that puts the witness in an impossible situation.

Finally, the point that I raised earlier, I do agree very strongly that we should address serious crimes, crimes of violence and organized crimes. The point is, Mr. Speaker, we have not so specified in this bill and it does go back to the point that an individual can be accused of a misdemeanor and, for refusing to testify as a witness, can be convicted of a felony."

Representative Takamura then rose and asked whether or not the Judiciary Chairman would yield to a question to which Representative Garcia answered in the affirmative.

Representative Takamura asked:

"I was wondering, did you receive testimony from either members of the Crime Commission, the Prosecutor's Office, or the Police Department in favor of this?"

Representative Garcia answered:

"No, Mr. Speaker, we didn't. We received testimony only from the Attorney General's office on this bill."

The motion was put by the Chair and carried, and S.B. No. 2595-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO OBSTRUCTION OF JUSTICE", having been read throughout, passed Third Reading by a vote of 41 ayes to 9 noes, with Representatives Abercrombie, Campbell, Cayetano, Cobb, Evans, Larsen, Stanley, Sutton and Takamura voting no, and Representative Ushijima being excused.

S.B. No. 1801-78, SD 1, HD 1

Representative Garcia moved that S.B. No. 1801-78, SD 1, HD 1, having been read throughout, pass Third Reading, seconded by Representative K. Yamada.

Representative Sutton then rose to speak against the bill, stating:

"Mr. Speaker, the great genesis of the common law was to preserve the privilege between a priest and a confessor, between an attorney and a client, between a physician and a patient. We have before us today a bill which infringes on the physician-patient privilege. Once that privilege is diluted, then the priest-confessor will be diluted and the attorney-client will be diluted. We have on the books of this State one of the most insidious invasion of the priest-confessor that went to the Supreme Court, but unfortunately, the man who had confessed to the priest had been executed prior to the Supreme Court decision saying that it was an invasion of that privilege.

Mr. Speaker, we have today a Committee Report which says, oh, don't worry, what we're trying to do is not hurt the patient. We're just making sure that the doctor can't hide behind the patient's statements to him. But the two are so closely entwined, you cannot separate them. Visualize, if you will, the banyan tree with a vine around it and they're so closely entwined, you can't kill the vine without killing the banyan tree. And this is what has happened. If you try to take this privilege away and dilute it, and say that the doctor must reveal, there is no way that the patient's privilege has not been lost even by his own inhibitions in his statements to the physician. And this infiltration, as I have told you, Mr. Speaker, will go to the attorney-client relationship and will go to the privilege between a priest and his confessor.

Therefore, I would urge every member here to cast a decisive 'no' against this bill, lest we lose another freedom."

Representative Blair then rose and stated:

"Very briefly, I'd like to correct some points that were raised by the previous speaker.

First of all, a physician's privilege is not a common law privilege.

Second of all, the great commentators on this common law and also on the law of privileges universally support the amendments that we're proposing in this bill, and I would refer him to both Wigmore on evidence and McCormack on evidence so that he might better understand this measure."

The motion was put by the Chair and carried, and S.B. No. 1801-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PHYSICIAN-PATIENT PRIVILEGE", having been read throughout, passed Third Reading by a vote of 49 ayes to 1 no, with Representative Sutton voting no, and Representative Ushijima being excused.

S.B. No. 320, HD 1

Representative Blair moved that S.B. No. 320, HD 1, be recommitted to the Committee on Ecology and Environment, seconded by Representative Larsen.

Representative Blair then explained the reason for recommitment, stating:

"My reason, if I may, Mr. Speaker, for requesting the recommitment is that it will still be available to your committees to make various amendments to the same section of the law and rather than have two bills floating around amending the same section of the law, I think we would be better advised to deal with only one."

At 12:29 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:37 o'clock p.m.

The motion was put by the Chair and carried, and S.B. No. 320, HD 1, was recommitted to the Committee on Ecology and Environment.

S.B. No. 2436-78, HD 1

Representative Blair moved that S.B. No. 2436-78, HD 1, having been read throughout, pass Third Reading, seconded by Representative Larsen.

Representative Abercrombie then rose to speak against the bill, stating:

"Mr. Speaker, I rise to speak against this bill primarily because I believe it is under a cloud of conflict - possible conflict of interest - putting me and possibly other members on this floor under a cloud of conflict as to why it might or might not have been passed. I do not want to subscribe to any set situation.

I want to outline my reasons as to why I believe the passage of this bill, whatever its merits, will subject this, should we pass it, to two questions from the public as to propriety of our passage of this bill, and to the circumstances under which it passed and the individuals who associated with it in terms of lobbying for this bill with legislators. I will not be associated with it in terms of lobbying for this bill with legislators. I will not be associated with that and will outline it as I see in detail now, why,

I have in my hand what's called a copy of the 'Hawaii Legislative Reporter', dated March 13, 1978. . ."

At this point, Representative Blair interrupted, stating:

"I apologize for interrupting, but I'd like to have a brief recess, if I may."

The Chair ruled Representative Blair out of order.

Representative Blair then thanked the Chair.

Representative Abercrombie then said:

"It may be that he was out of order, but it's his bill and if he would like to have a recess, I would gladly yield, or whatever is necessary to stop. . ."

At 12:40 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 12:56 o'clock p.m., the Chair recognized Representative Abercrombie and he said:

"I'll yield again, Mr. Speaker."

The Chair recognized Representative Peters and he asked:

"Mr. Speaker, I just wanted to

ask a question whether the cloud had lifted."

The Chair replied:

"It's still hovering over, Representative Peters."

Representative Abercrombie was recognized and he stated:

"Mr. Speaker, when I yielded the floor to the Chairman, it was for the purpose of clarifying whether the remarks were in order. . .whether my remarks were in order at this time. I have concluded they are not in order at this time and would, therefore, like to withdraw my objection in terms of voting for the bill and indicate that I will vote for the bill. However, in that process, I would like to also indicate that I feel that it is incumbent upon us as a body to inquire as to what is and is not proper logging."

The Chair said: "Very well."

The motion was put by the Chair and carried, and S.B. No. 2436-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LITTER CONTROL", having been read throughout, passed Third Reading by a vote of 48 ayes to 2 noes, with Representatives Naito and Sutton voting no, and Representative Ushijima being excused.

S.B. No. 2464-78, SD 2, HD 1

On motion by Representative Blair, seconded by Representative Larsen and carried, S.B. No. 2464-78, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NOISE POLLUTION", passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

S.B. No. 2220-78

On motion by Representative D. Yamada, seconded by Representative Segawa and carried, S.B. No. 2220-78, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF HEALTH", passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

S.B. No. 518, HD 1

Representative D. Yamada moved that S.B. No. 518, HD 1, having been read throughout, pass Third Reading, seconded by Representative K. Yamada.

At 12:59 o'clock p.m., on request by Representative Cobb, the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 1:00 o'clock p.m., the Chair recognized Representative Peters and he asked whether or not the Chairman of the Committee would yield to a question, to which Representative D. Yamada answered in the affirmative.

Representative Peters asked:

"What I would like to know is whether this bill would have any kind of impact on the present land trust that exists in this State."

Representative D. Yamada replied:

"Mr. Speaker, if there are any land trusts presently existing, then I don't think it should be existing, but this will make it so that they can exist."

Representative Peters then asked:

"Mr. Speaker, as I understand, the Admissions Act, under Section 5F, specifically indicated the Federal government has ceded some lands that were Hawaiian lands taken by the Federal government in 1893 during the overthrow of the monarchy of the Hawaiian Islands at that time. These lands had been ceded to the State and as I understand it, it is a trust relationship dealing with that land or those lands, and I was wondering whether this particular bill would have any kind of adverse impact on that relationship."

Representative D. Yamada answered:

"Mr. Speaker, no, it will not."

Representative Sutton then rose to speak against the bill, stating:

"Mr. Speaker, we are in a great hurry to accomplish something that the common law has had on its books for a thousand years. All of a sudden, we're reversing the statute of uses and the doctrine of equitable conversion. I just get the feeling that we're doing it very fast — so fast that if you turn to page 3, line 13, Mr. Speaker, the fourth word in, you'll see a 'nor'.

Now, if you've read Lorna Dunn, two negatives make an affirmative, but an affirmative and a negative don't make an affirmative. I'm sure that 'nor' should be 'or'. And, when we've done things of this nature that do not have grammatical corrections,

I wonder if we have legal corrections.

This is a very profound concept. The statute of uses has for years been the basis of the common law and equitable conversion. Suddenly, we are transferring all real estate for beneficiary into personal property. And I only hope that we would give more thought to something than what we see on page 3 where we have a 'nor' when it should be an 'or'. I recognize this 'nor' has now been changed, but my point is this: Are we adequately considering?

I would urge the members to vote no."

Representative Carroll then rose to speak in favor of the bill, stating:

"Mr. Speaker, I shared some of the concerns of the Representative from Nuuanu, but inquiring into this measure and reading it carefully, although I did not frankly notice that what I presume is a typographical error there, the melding into the hands of the beneficiary of these types of possessory rights, while indeed it is a bit different than the common law, is certainly in line with the advancing trust law that is statutorily being changed practically every year in practically every state. I think that as long as there are not any overriding Federal tax consequences to this kind of merging of interest into the beneficiary, that this is really a good step in the right direction. It certainly is going to keep trustees, trust officers on their toes when the beneficiaries do have this type of control; and I think that in terms of providing for one's wife and adult children with property, this bill makes eminent good sense and with that in mind, I would urge that we all vote 'aye'."

At 1:06 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 1:07 o'clock p.m., the motion was put by the Chair and carried, and S.B. No. 518, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND TRUSTS", having been read throughout, passed Third Reading by a vote of 49 ayes to 1 no, with Representative Sutton voting no, and Representative Ushijima being excused.

S.B. No. 1598-78, SD 1, HD 1

Representative D. Yamada moved that S.B. No. 1598-78, SD 1, HD 1, having been read throughout, pass

Third Reading, seconded by Representative Cobb.

Representative Cobb then rose and asked for a conflict ruling stating that he is employed by a utility company and that it will be adversely affected by the passage of this bill.

The Chair ruled "no conflict".

The motion was put by the Chair and carried, and S.B. No. 1598-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE BANNING OF PILOT LIGHTS ON GAS APPLIANCES", having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

S.B. No. 271, SD 1, HD 1

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, S.B. No. 271, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO OCCUPATIONAL THERAPY", passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

S.B. No. 2581-78, SD 2, HD 1

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, S.B. No. 2581-78, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HORIZONTAL PROPERTY REGIMES", passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

S.B. No. 2480-78, SD 1, HD 1

Representative D. Yamada moved that S.B. No. 2480-78, SD 1, HD 1, having been read throughout, pass Third Reading, seconded by Representative Cobb.

Representative Segawa then rose to speak in favor of the bill with certain concerns, stating:

"In our basic no-fault law, there are two sections - liability section and a no-fault section - which provides for benefits regardless of your liability in an accident. In other words, if you get involved in an accident by yourself, you come back to your own policy and claim for benefits. If someone hits you and you are injured, you come back to your own policy and claim benefits. At a later date, there are certain provisions that allow you

to file suit or make claims against the other party.

The intent of this bill is very good in that it will allow the insurance company to recover benefits paid out which have been duplicated by another party. The present law will allow the insurer to recover 50 percent regardless of whether the medical bills have been paid or not. In that way, this bill is very good.

The concern I have is the fourth paragraph of the Committee Report which states: 'Your Committee recognizes that in some cases, there may be difficulties in determining whether there has been a double recovery. This problem, however, could be resolved by the adoption of better settlement practices and closer monitoring of claimants' tort suits by the insurance industry.'

While this seems simple enough, in many cases, when settlement proceedings are hostile and many times intense, the information that the insurance company may request and want may not be easily available and for this reason, this bill could go further to provide this clarification that would make it easier for the insurance companies to obtain information whether or not a double payment has been made.

This bill has been amended in that the Senate would have to look at this matter again and, hopefully, that the proper language may be inserted to take care of this matter. Inasmuch as the consumer will be provided the benefits provided on a no-fault and allow the insurance company to recover in the event of double payments, I am voting for this bill with these concerns.

Thank you."

Representative Dods then rose and asked:

"Mr. Speaker, may I have the previous speaker's comments inserted as my own also?"

The Chair, noting that there were no objections, "so ordered."

Representative Dods then asked for a conflict ruling, stating that he works for an insurance company.

The Chair ruled "no conflict."

Representative Segawa then asked for a conflict ruling, stating that he is an insurance agent.

The Chair ruled "no conflict."

The motion was put by the Chair and carried, and S.B. No. 2480-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RIGHTS OF SUBROGATION", having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

S.B. No. 2332-78, SD 1, HD 1

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, S.B. No. 2332-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EXPENDITURE OF PUBLIC MONEY AND PUBLIC CONTRACTS", passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

S.B. No. 2490-78

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, S.B. No. 2490-78, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE", passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

S.B. No. 2476-78, SD 1

Representative D. Yamada moved that S.B. No. 2476-78, SD 1, having been read throughout, pass Third Reading, seconded by Representative Cobb.

Representative Abercrombie then rose to speak in favor of the bill with one reservation, stating:

"I'm doing this at the request of Representative Peters. We had both indicated earlier that we thought the maximum of two kegs of beer should be the situation inasmuch as Mr. Peters had indicated to me that his virile appearance is not appearance only but is, in fact, a physical reality and that he was capable of carrying two kegs rather than. . . and we did agree that the approximate two six packs was a rather puny and unwarranted comment on his capacity. However, as you know, Representative Peters is a man of compromise and willing, as always, to see the other person's point of view, and so, he has agreed that the maximum of two cases of beer not exceeding six gallons is what he will settle for. But I do want it made known that he was perfectly willing to try for the two kegs, and I supported him totally and completely

in this endeavor."

The motion was put by the Chair and carried, and S.B. No. 2476-78, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE IMPORTATION OF BEER FOR PRIVATE CONSUMPTION", passed Third Reading by a vote of 49 ayes to 1 no, with Representative Sutton voting no, and Representative Ushijima being excused.

S.B. No. 2154-78, SD 1

Representative D. Yamada moved that S.B. No. 2154-78, SD 1, having been read throughout, pass Third Reading, seconded by Representative Cobb.

Representative Abercrombie then rose and asked:

"With a great trepidation, may I rise to ask whether the Chairman will accept the question on this Bill for an Act relating to cosmetology?"

Representative D. Yamada answered:

"Being that it has to do with hair, I'm sure he has a good question."

Representative Abercrombie asked:

"Thank you very much. I know you can't wait for the question. There's nothing mandatory in this, I might add. I simply want to determine whether the word 'electrolysis' will be associated with any advertising that is, in fact, not electrolysis when hair is actually removed from the body."

Representative D. Yamada replied:

"Mr. Speaker, as I understand the amendment, the amendment states that this is an exception when a person needs certain type of training to do the work of electrolysis. And being that it is an exception, that person doing this type of work, as the bill provides, will not be an electrolysisist and, therefore, if he would advertise, or he or she would advertise as doing electrolysis work, it would be fraudulent."

Representative Abercrombie then thanked the Chair.

The motion was put by the Chair and carried, and S.B. No. 2154-78, SD 1, entitled: "A BILL FOR AN ACT RELATING TO COSMETOLOGY", having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

S.B. No. 1931-78

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, S.B. No. 1931-78, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR LICENSES", passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

S.B. No. 1894-78

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, S.B. No. 1894-78, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII MEAT INSPECTION ACT", passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

S.B. No. 1663-78

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, S.B. No. 1663-78, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII INSURANCE LAW", passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

S.B. No. 1662-78

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, S.B. No. 1662-78, entitled: "A BILL FOR AN ACT RELATING TO VETERINARY EXAMINATIONS", passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

S.B. No. 1659-78

On motion by Representative D. Yamada, seconded by Representative Cobb and carried, S.B. No. 1659-78, entitled: "A BILL FOR AN ACT RELATING TO COLLECTION AGENCIES", passed Third Reading by a vote of 49 ayes to 1 no, with Representative Sutton voting no, and Representative Ushijima being excused.

S.B. No. 1597-78, SD 1

On motion by Representative Suwa, seconded by Representative Peters and carried, S.B. No. 1597-78, SD 1, entitled: "A BILL FOR AN ACT RELATING TO TAX INCENTIVES FOR ENERGY CONSERVATION", passed Third Reading by a vote

of 50 ayes, with Representative Ushijima being excused.

S.B. No. 893, SD 2, HD 1

On motion by Representative Suwa, seconded by Representative Peters and carried, S.B. No. 893, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PILOTAGE", passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

S.B. No. 2148-78, HD 1

Representative D. Yamada moved that S.B. No. 2148-78, HD 1, be recommitted to the Committee on Consumer Protection and Commerce, seconded by Representative Cobb.

Representative Sutton then rose and asked:

"Does a motion to recommit allow discussion?"

The Chair replied:

"I believe so, yes."

Representative Sutton then said:

"If it allows discussion, I would like to discuss then."

The Chair directed Representative Sutton to "proceed", and he stated:

"Mr. Speaker, while I'm in sympathy with the intent of this bill, I also know that we are asking the Public Utilities Commission to base their judgment of whether rate increases are necessary or not. . ."

At this point, Representative Kunimura rose on a point of order and said:

"I'd like to ask if the gentleman from Nuuanu is speaking against recommitment or for recommitment."

Representative Sutton answered:

"I am speaking for recommitment. This is a very complicated thought so I may have to repeat it so that we get the basic concept. I am in sympathy with the intent of this bill, but I also know that we are asking the public. . ."

Representative Kondo then interrupted on a point of order and stated:

"I think the Representative should

confine himself to why or why we should not recommit."

Representative Sutton continued his remarks, stating:

"The reason why we should recommit."

Representative Kamalii then interrupted on a point of order and said:

"Because we don't know why there is a recommitment, I wonder if we could have that information before Representative Sutton continues."

At 1:21 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 1:24 o'clock p.m., the Speaker resumed the rostrum.

Representative Sutton then rose and withdrew his objections.

The motion to recommit was put by the Chair and carried, and S.B. No. 2148-78, HD 1, was recommitted to the Committee on Consumer Protection and Commerce.

S.B. No. 1820-78, SD 2, HD 1

On motion by Representative Stanley, seconded by Representative K. Yamada and carried, S.B. No. 1820-78, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STANDARDS OF CONDUCT, INCLUDING DISCLOSURE OF FINANCIAL INTERESTS BY LEGISLATORS AND STATE EMPLOYEES", passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

At 1:25 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 1:30 o'clock p.m.

S.B. No. 1654-78, SD 1, HD 1

On motion by Representative Stanley, seconded by Representative Takamine and carried, S.B. No. 1654-78, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VACANCIES IN CIVIL SERVICE POSITIONS", passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

S.B. No. 2622-78, SD 1, HD 1

On motion by Representative Garcia, seconded by Representative K. Yamada and carried, S.B. No. 2622-78, SD 1, HD 1, was recommitted to the Committee on Judiciary.

S.B. No. 1691-78, HD 1

On motion by Representative Garcia, seconded by Representative K. Yamada and carried, S.B. No. 1691-78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AMENDMENT OF NOTICE TO VICTIM PROVISION OF HRS 706-602", passed Third Reading by a vote of 50 ayes, with Representative Ushijima being excused.

The Chair directed the Clerk to note that S.B. Nos. 1950-78 had passed Third Reading at 11:29 o'clock a.m.; 1855-78 at 11:43 o'clock a.m.; 2595-78 at 12:25 o'clock p.m.; 1801-78 at 12:28 o'clock p.m.; 2436-78 at 12:57 o'clock p.m.; 2464-78 and 2220-78 at 12:58 o'clock p.m.; 518 and 1598-78 at 1:07 o'clock p.m.; 271 at 1:08 o'clock p.m.; 2581-78 at 1:09 o'clock p.m.; 2480-78 at 1:12 o'clock p.m.; 2332-78 and 2490-78 at 1:13 o'clock p.m.; 2476-78 at 1:15 o'clock p.m.; 2154-78 and 1931-78 at 1:17 o'clock p.m.; 1894-78, 1663-78, 1662-78 and 1659-78 at 1:18 o'clock p.m.; 1597-78 and 893 at 1:19 o'clock p.m.; 1820-78 at 1:25 o'clock p.m.; 1654-78 at 1:31 o'clock p.m.; and 1691-78 at 1:32 o'clock p.m.

At 1:32 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 1:34 o'clock p.m.

At this time, the Chair made the following announcement:

"The Chair would like to remind all Committee Chairmen to review the bills returned by the Senate with amendments thereon, and be prepared to agree or disagree."

DISPOSITION OF MATTER PLACED ON THE CLERK'S DESK

By unanimous consent, H.B. No. 1998-78, HD 1, as amended by the Senate, was taken from the Clerk's desk.

On motion by Representative Kawakami, seconded by Representative Caldito and carried, the House disagreed to the amendments proposed by the Senate

to House Bill No. 1998-78, HD 1,
and requested a conference on the
subject matter of said amendments.

By unanimous consent, naming
of the conferees was deferred.

At 1:37 o'clock p.m., the Chair
declared a recess, subject to the
call of the Chair.

The House of Representatives

reconvened at 1:40 o'clock p.m.

ADJOURNMENT

At 1:41 o'clock p.m., on motion by
Representative Kondo, seconded by
Representative Kamalii and carried,
the House of Representatives adjourned
to 11:00 o'clock a.m. tomorrow, Thursday,
March 30, 1978, by a rising vote, in
memory of the late Elmo Samson.