

SCRep. 739-78 Judiciary on S.B. No. 1690-78

The purpose of this bill is to authorize the courts to accept payment by credit card of court costs, fees, fines, bail forfeitures, expenses and other charges due the courts. Use of credit cards will significantly facilitate collection of sums owed to the courts.

Your Committee was informed that a portion of fines owed the State is never paid. This bill would provide citizens another means for meeting their obligations and will minimize write-offs for uncollectible fines.

The administrative director of the courts testified that under the present system, a number of steps must be taken by the Judiciary personnel to record and to collect the payment of the above items, and that the number of transactions involved is immense and requires substantial staffing. The administrative director further testified that in contrast, if the above charges or items are paid by credit card, it will be more convenient for citizens to make payments, and it will require no paper work and no collection efforts by the courts because the credit card company will handle both record-keeping and collections.

Your Committee finds that because credit card companies are specialists in the field of payments and collections and enjoy the efficiencies of size, it is reasonable and logical that the courts utilize this expertise to their advantage, and thus enable them to invest their energies in their own field of expertise--that is the administration of justice.

Your Committee specifically requests that the Judiciary provide this Committee with a report on the cost benefits derived from the use of credit cards.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1690-78, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

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

SCRep. 740-78 Judiciary on S.B. No. 1622-78 (Majority).

The purpose of this bill is to appropriate funds for the payment of claims filed for refund of taxes, court-approved judgments and settlements against the State, and other claims.

Section 37-77, Hawaii Revised Statutes, provides that claims for refunds, reimbursements, or other payments shall, as a condition to their being considered by the legislature, be filed with the director of finance. The director is required to refer claims to the agency concerned for investigation and recommendation. All claims and supporting data are then transmitted to the legislature in an appropriate bill form.

The director of finance has submitted this bill to provide for such payments of claims against the State.

Your Committee has adopted the recommendation of the director to make certain additions and deletions to this bill and has amended this bill to provide for such additions and deletions of claims. As a result of these additions and deletions the bill now incorporates 60 claims totaling \$1,062,779.04.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1622-78, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1622-78, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Baker and Fong.
(Representatives Ikeda and Medeiros did not concur).

SCRep. 741-78 Judiciary on S.B. No. 2463-78

The purpose of this bill is to support increased efforts by prosecuting attorneys' offices to prosecute career criminals through organizational and operational techniques that have been proven effective in selected counties in other states.

Your Committee finds that the Career Criminals Program is calculated to make maximum

use of federal funds available through the Law Enforcement Assistance Program (LEAP). The intent of this bill is to provide the statutory mechanism necessary to enhance the State's chances of obtaining federal funds in order to further the State's fight against crime.

The bill sets January 1, 1979 as the date by which the Attorney General is (1) to prepare and issue written program and administrative guidelines and procedures for the program, and (2) to submit the complete and final draft of such guidelines and procedures to the House and Senate Judiciary Committees of the State Legislature.

The bill provides for the appropriation of \$25,000 to be expended by the Office of the Attorney General for the purposes of developing programs and plans for implementation of this bill, submission of the program to the appropriate federal agency in order to apply for federal funds, and to report to the legislature by 1979 on its progress.

Your Committee finds that it would be more appropriate for the legislature to provide the statutory authority for the program, and to require the Attorney General to work out the details of such a program in consultation with the State law enforcement and juvenile planning agency. Accordingly, your Committee amended the bill by deleting Sections - 3, -4, -5, and -6.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 2463-78, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2463-78, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

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

SCRep. 742-78 Public Assistance and Human Services on S.B. No. 1469

The purpose of this Act is to provide for cost of living increase in welfare standard subject to legislative appropriation.

Your Committee finds that the State's revenue picture and the deficit of \$18.6 million projected in both the money and medical payment programs for Fiscal Year 1978 compels deletions of automatic cost of living increase.

The Act does not propose complete elimination of cost of living increases but proposes the exercise of legislative authority and approval to pass on cost of living increases based on average weekly wage or Consumer Price Index, whichever is lower.

For the purposes of consistency your Committee recommends that this Act should be amended as follows:

- (a) The words "and shelter allowance" be added after the phrase "basic needs allowance" on page 2 line 3 and page 2 line 15.

Your Committee on Public Assistance and Human Services is in accord with the intent and purpose of S.B. No. 1469, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.B. No. 1469, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Baker.

SCRep. 743-78 Public Assistance and Human Services on S.B. No. 2620-78

The purpose of this Act is to amend pertinent chapters of the Hawaii Revised Statutes to make funding and administrative provisions to enable recipients of social services to satisfy statutory requirements imposed by state and federal tax and employment insurance programs resulting from the receipt of such services, and to exempt them from statutory requirements under state wage loss replacement programs.

Your Committee finds that in providing attendant carechore service and in-home child care payments, the Department of Social Services and Housing (DSSH) has been advised by the State Department of Labor and Industrial Relations (DLIR) and the Internal Revenue Service (IRS) that individuals who provide such social services come under the "domestic

service" definition of employment security and wage loss replacement laws.

Your Committee further finds that if the specific exemptions to the State's wage loss replacement and employment insurance programs are not adopted, the attendant care-chore services and in-home child care service payments must be adjusted to include the recipient/employer's contribution to the following programs: State Unemployment Insurance Benefits (UIB); State Worker's Compensation (WC); State Temporary Disability Insurance (TDI); and Prepaid Health Insurance (PPHI).

Even if recipients were exempt from the aforementioned state programs, it would still be incumbent upon them to contribute and withhold monies for federal programs, Federal Insurance Compensation Act (FICA); Federal Unemployment Tax Act (FUTA).

Your Committee on Public Assistance and Human Services is in accord with the intent and purpose of S.B. No. 2620-78, S.D. 2, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Baker.

SCRep. 744-78 Education and Public Employment and Government Operations
on S.B. No. 2114-78

The purpose of this Bill is to establish a pilot project within the Department of Education that will test the feasibility of job-sharing among certain classes of certificated personnel in the public schools of Hawaii.

Your Committees find that job-sharing, which would allow two half-time positions in place of one full-time position, is an innovation which will increase the available employment options so that people may have the opportunity to be employed on the basis of their financial and other needs, without, perhaps, the necessity of being employed on a full-time basis.

Your Committees further find that the merits of job sharing warrant systematic experimentation and that the Department of Education, due to the possibility of expanding the number of jobs and its possible impact upon the disproportionate numbers of unemployed teachers in the State, is an appropriate agency within which to initiate a job-sharing pilot project. Moreover, the implementation of a job-sharing pilot project in the DOE may create more stimulating environments for teachers in their professional capacities, and may also provide additional educational stimulus for students. The augmentation of teachers' skills may also be a result of job sharing in the Department of Education, since teachers would have greater time available to them to pursue additional training and education, further benefiting the educational system of the State.

Your Committees have amended this Bill in the following manner:

- (1) Limit this pilot project for two years, to school-years 1978-79 and 1979-80. The DOE testified that it can set up this project within the 1978 summer break, and therefore, this project should be implemented by the 1978-79 school year.
- (2) Ensure that the DOE devote at least 25 full-time positions for this pilot project. Your Committees feel that there should be a minimum number of participants in this project in order to field test the job-sharing concept.
- (3) Limit the announcement of this pilot project to full-time, tenured, classroom teachers. The original bill included librarians, registrars and other certificated, non-classroom personnel, however, your Committees feel that the initial project should be limited only to classroom teachers because of its possible impact on reducing the numbers of unemployed classroom teachers in the State. Also, part of the intent of this Act is to allow classroom teachers to pursue additional in-service training.
- (4) Provide that the selection of employees to participate in the job-sharing project shall be made at the district level.
- (5) Provide that no person whose position is converted to a job-sharing position shall be allowed to request a reconversion back to a full-time status. Your Committees feel that this is unfair to the other job-sharing employee and will discourage their participation in this project.
- (6) Provide that each job-sharing participant shall be provided with employee

benefits equivalent to one-half of the employee benefits to which they would be entitled if their positions were full-time permanent positions, provided that the benefits can be divided in half. Your Committees feel that this will provide job-sharing participants a pro-rated share of employee benefits which is adequate and fair.

- (7) Provide that the right to belong to a union shall be provided to job-sharing employees who held full-time positions prior to their participation in the pilot project. Your Committees feel that this amendment will treat the job-sharing employees recruited for the purposes of this project equally to other part-time employees in the DOE, and will allow job-sharing employees who held full-time positions prior to this project to retain their union status.
- (8) Include provisions to allow a job-sharing employee to work on a full-time basis in the event of a permanent or temporary absence of a job-sharing employee. Your Committees feel that such absences may occur because of unforeseen circumstances, and that this provision is necessary to insure that classes are uninterrupted.
- (9) Provide that the Office of the Legislative Auditor shall report its findings and recommendations on this pilot project to the Legislature prior to the convening of the 1981 Legislative Session.

Your Joint Committees on Education and Public Employment and Government Operations are in accord with the intent and purpose of S.B. No. 2114-78, as amended herein, and recommend that it pass Second Reading and be referred to the Committee on Finance in the form attached hereto as S.B. No. 2114-78, H.D. 1.

Signed by all members of the Committee except Representative Machida.

SCRep. 745-78 Energy and Transportation and Public Employment and Government Operations on S.B. No. 1591-78

The purpose of this bill is to enable State and county governments to comply with Title III, Part C of the Energy Policy and Conservation Act of 1975 (P.L. 94-163) which requires government agencies to institute energy efficiency standards and policies in procurement practices.

The State Energy Conservation Program (SECP) contains five mandatory requirements, one of which involves the area of government procurement practices. To insure \$1.5 million in federal funding over the next biennium under the SECP, the State must institute programs directed at effecting energy savings in these five mandatory areas by July 1, 1978.

The Department of Planning and Economic Development (DPED) indicated that technical problems exist which would make the proposed procedures unfeasible. Representatives of the DPED, the Department of Accounting and General Services, the University of Hawaii and the City and County of Honolulu developed revisions to the proposed procurement procedures.

The intent of these revisions is to rely upon federal or other nationally recognized energy efficiency standards as guides in purchasing, via the life-cycle costing method, those classes of items for which these standards have been developed, including automobiles and air-conditioning systems. In the case of fluorescent lamps, the revisions specify that the watt-saving variety of common sized fluorescent lamps shall be purchased except where standard wattage of such lamps is specifically required by the using agency. Use of these standards would simplify life-cycle cost analysis and would also eliminate challenge by vendors as to whether the standards are realistic and valid.

Your Committees have accepted the proposed revisions and have amended this bill to incorporate these changes by substituting the existing wording of subsections (b) and (c) with the exact language submitted by the DPED.

Your Committee on Energy and Transportation and your Committee on Public Employment and Government Operations are in accord with the intent and purpose of S.B. No. 1591-78, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1591-78, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Machida.

SCRep. 746-78 Energy and Transportation on S.B. No. 1597-78

The purpose of this bill is to provide a tax credit to individuals and corporate resident taxpayers who install insulation material for hot water tanks and exposed hot water pipes as an energy conservation incentive.

The credit may be claimed for the cost and installation of the insulation material, not to exceed \$30, against income tax liability for the year in which the insulation material was purchased and installed. The bill is effective for the period after December 31, 1977 to December 31, 1984.

Your Committee on Energy and Transportation is in accord with the intent and purpose of S.B. No. 1597-78, S.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Machida.

SCRep. 747-78 Energy and Transportation on S.B. No. 2190-78

The purpose of this bill is to require the State Director of Transportation to insure that the state highway system conforms to the safety standards and construction criteria required by the Federal Highway Safety Act of 1966, as amended.

Testimony was presented to your committee in support of the purpose of this bill.

Your Committee on Energy and Transportation is in accord with the intent and purpose of S.B. No. 2190-78 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Machida.

SCRep. 748-78 Energy and Transportation on S.B. No. 1581-78

The purpose of this bill is to provide an additional \$3,845,000 to the Governor's \$5,000,000 supplemental CIP request for funds for research and development, applications, and demonstrations directed toward the development and utilization of alternate energy resources for the State of Hawaii. This bill appropriates from the general fund \$1,530,000 towards biomass programs, \$200,000 for geothermal state matching funds, \$1,225,000 for ocean thermal energy conversion projects, and \$890,000 for solar and wind energy demonstration projects.

In addition to the \$3,845,000 in CIP funds, this bill appropriates \$392,600 from the general fund for operating expenses. The fact that the energy programs to be supported by the operating expenditures are research and development and demonstration projects with uncertain results suggest that continued funding for operations cannot be assured until the effectiveness of the programs can be reviewed. As a result, your Committee cautions the expending agencies not to make long-term commitments regarding personnel, equipment and other operating expenditures until reviews can be made on program effectiveness.

Section 2 of this bill has been amended to give the Department of Planning and Economic Development responsibility for administering the amounts appropriated in this bill as specified in section 1. The intent of this amendment is to ensure coordination of energy projects in order to maximize the utilization for State expenditures while minimizing overlapping of programs.

Your Committee on Energy and Transportation is in accord with the intent and purpose of S.B. No. 1581-78, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1581-78, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Machida.

SCRep. 749-78 Energy and Transportation on S.B. No. 782

The purpose of this bill is to provide for regulation and control of motor-driven bicycles or "mopeds" as they are more commonly known.

Your Committee finds that because of the ever increasing use and popularity of mopeds,

regulation and control is necessary in the interests of safety and traffic efficiency.

The bill, as amended provides for a new "moped" classification under motor vehicles, " deleting existing language in the law relating to motor-driven bicycles; redefines the terms "bicycle," "vehicle" and motor vehicle;" provides for registration and taxing of mopeds, seizure and sale of mopeds without the required tags or decals, and amends provisions of the traffic code relating to bicycles. The bill also amends Chapter 291C by adding a new part to be entitled "Special Rules for Mopeds" and which makes the following provisions:

- (1) Provides a penalty for violation of the Rules and holds parents or guardians responsible for the actions of minors.
- (2) Subjects moped drivers to traffic laws applicable to motor vehicles, except as noted.
- (3) Requires a moped operator to have a valid driver's license which must be exhibited upon the demand of a police officer.
- (4) Establishes a minimum age of fifteen years for moped drivers; prohibits the carrying of passengers and restricts the carrying of packages on mopeds.
- (5) Regulates the driving of mopeds on roadways and prohibits driving of mopeds on sidewalks.
- (6) Prohibits driving a moped on any roadway with an established speed limit of greater than 35 miles per hour.
- (7) Requires mopeds to use bike lanes where provided unless prohibited by the director of transportation.
- (8) Establishes a maximum operating speed of 35 miles per hour.
- (9) Prohibits a moped operator from attaching himself or the vehicle to any other vehicle, bicycle, coaster, sled, toy vehicle or person on roller skates.
- (10) Prescribes lighting requirements for mopeds.
- (11) Provides requirements for renting or selling mopeds.
- (12) Sets equipment requirements for mopeds.
- (13) Requires moped sellers to furnish a certification showing compliance with equipment requirements.
- (14) Prohibits the defacing, destroying, or altering of serial numbers or identifying marks on mopeds.
- (15) Prohibits the possession of a moped or moped part on which the serial number or identifying mark has been changed, altered, erased or mutilated.
- (16) Restricts the modification of a moped motor.

By including mopeds under the definition of motor vehicles mopeds would be subject to the state's no-fault insurance law. Your Committee reviewed information from the insurance industry concerning the cost and feasibility of insuring mopeds. Although cost estimates were based on motorcycle rates because of a lack of actuarial data relating to mopeds, your Committee believes that moped insurance should be available at reasonable cost, and that requiring moped operators to carry insurance would be in the best interests of the public.

Your Committee on Energy and Transportation is in accord with the intent and purpose of S.B. No. 782, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. 782, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Abercrombie, Machida, Mizuguchi and Say.

SCRep. 750-78 Tourism on S.B. No. 2523-78

The purpose of this bill is to maximize visitor satisfaction by clarifying the relationships between guests and keepers of hotels. This is done by adding a new chapter to the Hawaii Revised Statutes.

There is a need in the Hawaii Revised Statutes for a chapter relating to hotelkeeping. The states that significantly attract visitors have similar chapters. These include California, Illinois, New York, Florida, Georgia and Colorado.

The purpose of this type of legislation is to clarify the rights of hotelkeepers and the rights of guests. With the hotel industry being the largest segment of Hawaii's visitor industry, this type of law can only maximize visitor satisfaction.

Besides consolidation into one chapter, the major items that affect the hotelkeeper and guest relationship, the bill specifically covers the liabilities of hotels, responsibilities of hotels and guests, the right to control the premises and regulates any guests who overstay their visits, thus depriving incoming guests of rooms.

Your Committee, after holding a public hearing on this bill, has made the following amendments:

1. Sec. -4 Valuation of property.

Whenever the value of property is to be determined under sections -2 and -3, the valuation of property provisions under Section 708-801 shall apply.

The amendment, offered by the Office of Consumer Protection is because Section 708-801 also provides for intent and knowledge in committing a criminal offense which is not applicable in determining valuation of property for the purpose of this section.

2. Sec. -8 Registration required.

(a)...The registration information shall be made available to law enforcement officials upon proper written inquiry.

Your Committee has made this amendment to ensure the individual's right to privacy, and to also make it possible, if need be, for law enforcement agencies to receive needed information concerning guests of the hotel. This amendment, furthermore, protects the hotels from violating their guests rights while complying with government agencies.

3. Sec. -1 Definition.

(3) "Hotels"...if there is transient accommodation for them,...

Your Committee has merely clarified the definition of "Hotel".

4. Sec. -2 Liability for valuables.

Your Committee has eliminated all references to "patrons" under this section. It was brought to your Committee's attention that this "hotel" may not have sufficient safes or vaults to provide this service for patrons as well as guests.

Your Committee on Tourism is in accord with the intent and purpose of S.B. No. 2523-78, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2523-78, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Takamura, Medeiros and Uwaine.

SCRep. 751-78 Public Assistance and Human Services on H.C.R. No. 95

The purpose of this concurrent resolution is to request the United States Congress to enact appropriate legislation which will transfer total responsibility for administering and financing public assistance programs to the federal government.

Your Committee finds that the responsibility for administering and financing public

assistance programs is presently shared by the State and Federal governments. This arrangement has produced wide variations among the states and local jurisdictions in the quality and levels of public assistance programs provided, due to the multiplicity of standards, regulations and procedures applying to the administration of these programs.

Your Committee on Public Assistance and Human Services concurs with the intent and purpose of H.C.R. No. 95 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Baker.

SCRep. 752-78 Public Assistance and Human Services on H.R. No. 471

The purpose of this resolution is to request the United States Congress to enact appropriate legislation which will transfer total responsibility for administering and financing public assistance programs to the federal government.

Your Committee finds that the responsibility for administering and financing public assistance programs is presently shared by the State and Federal governments. This arrangement has produced wide variations among the states and local jurisdictions in the quality and levels of public assistance programs provided, due to the multiplicity of standards, regulations and procedures applying to the administration of these programs.

Your Committee on Public Assistance and Human Services concurs with the intent and purpose of H.R. No. 471 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Baker.

SCRep. 753-78 Energy and Transportation on H.R. No. 351

The purpose of this resolution is to request the governor to release funds for road and general improvements in the Kalihi Valley area as mandated by Act 195 of the Regular Session of 1975 and Act 226 of the Regular Session of 1976.

Your Committee on Energy and Transportation concurs with the intent and purpose of H.R. No. 351 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Machida.

SCRep. 754-78 Public Employment and Government Operations on S.B. No. 36

The purpose of this bill is to amend Chapter 83, Hawaii Revised Statutes, to clarify the statutory provisions relating to temporary inter-governmental assignments of public employees.

Your Committee finds that the efficiency and effectiveness of government operations can be greatly improved if personnel were able to acquire a fuller understanding of the programs, processes and problems of governmental units other than their own. The temporary assignment of personnel to another jurisdiction is one means by which such knowledge may be gained.

Enactment of S.B. No. 36, as amended, will facilitate the temporary assignment of public employees to and from other jurisdictions. The bill extends the allowable period of temporary assignment from six months to two years, and provides for an extension of up to two additional years upon approval by the Director of Personnel Services for officers and employees of the State, or the director of civil service for officers and employees of a county. This bill also provides for clarification of the status and rights of Hawaii employees on temporary assignment to another government, and the status and rights of employees of other governments temporarily assigned in Hawaii.

Upon due consideration, your Committee has amended this bill in the following manner:

(1) The authority to participate in programs of temporary inter-governmental assignment of employees has been extended to the Judiciary.

(2) On page 2, the subject matter of an agreement between the sending and receiving agencies is more clearly delineated to include the supervision of duties, the costs of

salaries and benefits, and travel and transportation expenses.

(3) On page 3, the provision for the adoption of rules for purposes of implementing the chapter has been amended to provide that the several civil service commissions rather than the directors of civil service shall adopt rules for officers and employees of the city and county and of the several counties. The provision has been amended further, to provide that the Administrative Director of the Courts shall adopt rules governing the inter-governmental transfer of Judiciary employees.

(4) Section 4 of the bill, beginning on page 3, has been amended to clarify the status of temporarily assigned Hawaii employees who are considered to be on a leave of absence without pay. The section dealing with the status of employees of other governments has also been rewritten for clarification.

(5) A new section relating to salary and benefit costs has been added to provide that whenever a unit of government of this State will benefit from the temporary inter-governmental assignment, it may pay for or reimburse the other government for salary and benefit costs, or a portion of such costs, for an employee on such assignment.

(6) The two sections relating to travel expenses of Hawaii employees and travel expenses of employees of other governments have been consolidated into a single section. The provisions for travel and transportation expenses have been amended to provide that whenever any unit of government of this State will benefit from a temporary inter-governmental assignment, it may, in accordance with applicable statutes and rules, pay for or reimburse another government for travel and transportation expenses, or a portion of such expenses, for an employee on such assignment.

Your Committee has made other technical amendments to the bill which do not affect its substance.

Your Committee on Public Employment and Government Operations is in accord with the intent and purpose of S.B. No. 36, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 36, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.

SCRep. 755-78

Public Employment and Government Operations on S.B. No. 1787-78
(Majority).

The purpose of this bill is to define the term "resident" as it applies to employment by the State or counties, and to establish a preference in the civil service application process for residents who have filed resident income tax returns and their dependents.

Under the provisions of this bill, an applicant for a State or county government job must be a citizen, national, or permanent resident alien of the United States and a resident of the State in order to be considered for employment. Although the courts have thus far invalidated durational residency as a requirement for employment, the application of residency *per se*, as a condition of employment, is valid. Testimony heard by your Committee indicated that a number of mainland jurisdictions presently require residency as a condition of employment. The criteria for determining residency, as established in the provisions of this bill, are based on legal precedents established in such jurisdictions and appear to be legally supportable in a Hawaii court of law.

This bill also provides for the granting of preference to tax-filing residents and their dependents for job opportunities in public employment. Your Committee notes that the granting of preference to residents who file a resident income tax return does not bar any other resident from applying for public employment, and does not bar any qualified resident, tax-filing or otherwise, from being considered, interviewed, or hired for a State or county government job.

Your Committee finds that this bill will enhance job opportunities for Hawaii residents and will assist the State's unemployed by promoting the hiring of residents for jobs with State and county government agencies. This bill is not intended to halt in-migration to the State, but rather to encourage the employment of persons who currently reside here.

The geographic location of our State poses severe problems for residents who are unable

to find work locally. Unlike the unemployed in mainland states, unemployed Hawaii residents cannot readily or easily commute to another state in order to seek work. To find gainful employment, Hawaii's unemployed residents may have to physically move to another state, thereby incurring not only substantial financial burdens, but in many cases, cultural and family disruptions as well.

Your Committee finds further, that there is a compelling State interest underlying the intent and purpose of this bill. It is difficult to develop plans which seek to maintain the State of Hawaii as a place in which life is socially, economically, and environmentally pleasing without due consideration of the State's population growth rate. During the period 1960 to 1975, Hawaii's civilian population growth rate was twice as fast as that of the entire United States, largely because of the influx of new residents. New residents create greater demands for housing, police, transportation, schools, sewers, and other public services. Uncontrolled population growth has already resulted in urban crowding and congestion which has contributed to the erosion of the Aloha Spirit and of our quality of life. By controlling the population growth rate, these and other social costs can be curtailed or at least effectively managed. State government can then channel its resources into programs designed to benefit its residents and to sustain a unique multi-cultural community. This bill will aid in reducing the strain on our limited resources and in achieving the growth management objective of providing and enhancing employment opportunities to meet our labor force needs without encouraging in-migration.

Upon due consideration, your Committee has amended this bill by deleting on page 2, lines 7 and 8, "establishment of residence for voting purposes in the State" as a factor in determining an individual's intent to make Hawaii his permanent residence. Consideration of this factor would discriminate against permanent resident aliens who must live in the United States for three to five years before obtaining United States citizenship which is a requirement for voting purposes.

Your Committee has amended this bill further, by adding the word "income" after the word "resident", on page 4, line 1, of the bill, in order to clearly indicate the type of tax return which must be filed to qualify for a resident preference.

Your Committee has made other technical amendments which do not affect the substance of this bill.

Your Committee on Public Employment and Government Operations is in accord with the intent and purpose of S.B. No. 1787-78, S.D.1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1787-78, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Evans.
(Representatives Abercrombie and Cayetano did not concur).

SCRep. 756-78 Energy and Transportation on S.B. No. 1811-78

The purpose of this bill is to make an appropriation for a conceptual design study on semi-submersible platform ships (SSP) for an interisland ferry system. This bill authorizes the director of transportation to develop documentation in the form of a preliminary design and an environmental impact statement and to assist a potential private owner and operator in obtaining federal subsidies for the design and construction of an SSP-type ferry system.

A ferry system using these smaller, more stable vessels could open up new opportunities to residents and local businesses and could make a positive impact on economic and social relations between the islands.

Your Committee finds that the establishment of an SSP interisland ferry, privately owned and operated, should be encouraged.

The director of the department of transportation stated that previous plans for a large, conventional interisland ferry have been abandoned as unfeasible. Accordingly, your Committee has amended the bill to repeal prior appropriations made for the planning, design and construction of these state-operated and state-assisted ferry systems.

Your Committee has further amended the bill to repeal Chapter 268, Hawaii Revised Statutes, relating to Hawaii State Ferries.

Testimony presented by the department of transportation indicated that the SSP study

and environmental impact statement could not be completed within the time frame allowed in the bill. Accordingly, your Committee has amended the bill to extend the date to June 30, 1980.

Your Committee on Energy and Transportation is in accord with the intent and purpose of S.B. No. 1811-78, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1811-78, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Machida.

SCRep. 757-78 Public Assistance and Human Services and Judiciary on
S.B. No. 2609-78

The purpose of this Act is to amend Sections of Chapter 346, Hawaii Revised Statutes, 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.

Your Committees find that the Department has been experiencing difficulty in obtaining access to providers' records to enable the Department to investigate suspected cases of fraud and abuse.

Federal regulations in 42 CFR 250.21 require that each provider of service in the Medicaid program "keep such records as are necessary fully to disclose the extent of the services provided" and also to "furnish the State agency with such information regarding any payments claimed" for providing those services as the State agency may request. This legislation will enable the Department to force, if necessary, compliance with those regulations.

Your Committees have amended the Act as follows:

(1) Page 15, line 11:

Delete "at its regular place of business".

Since many records are not kept by the provider at its place of business but at other storage locations, this section is deleted to allow flexibility in the location of storage.

(2) Page 15, line 14:

Delete line 14 starting with "Such" to line 25, page 17. Provide for promulgation of rules to identify records to be kept. The enumeration of the various records to be kept can be set forth in regulations promulgated by the Department of Social Services and Housing. Again, this provides more flexibility and is in keeping with the intent of the bill which is to require maintenance of such records as are necessary to determine proper provider reimbursement. In lieu of the listed records, the Department is authorized to promulgate rules identifying the records to be kept.

(3) Page 16, line 2:

"or appropriate location" is added to clarify the situation where the records are kept at a location other than the provider's place of business.

(4) Page 16, line 5:

"or rules promulgated hereunder" is added to cover the situation where the Department of Social Services and Housing does not enact rules governing the types of records which must be kept.

(5) Page 17, line 3:

"or rules promulgated hereunder" is added for above-stated reasons.

(6) Page 17, line 11:

"prior to" is deleted and in lieu of it the word "for" is inserted to make it clear

that a provider who has not kept or made the required supporting records available can be suspended from the program while there is a question about the amount due for past services. This will serve as a strong incentive for compliance with the record keeping provisions and in addition prevent further payments until the proper records are maintained.

(7) Page 26, line 19:

Subparagraph D is deleted. This section is felt to be unnecessary in light of paragraph (B). Paragraph (B) provides enough flexibility to cover emergency cases.

Your Committee on Public Assistance and Human Services and Committee on Judiciary are in accord with the intent and purpose of S.B. No. 2609-78, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2609-78, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Baker.

SCRep. 758-78 Public Assistance and Human Service on S.B. No. 1782-78 (Majority).

The purpose of this Act is to provide for a statutory change which would exclude able-bodied adults under age 55 without minor children from receiving State General assistance. In addition, it requires that persons receiving general assistance be bona fide residents of the State and sets forth guidelines for determining whether or not a person seeking general assistance is a bona fide resident of the State.

Your Committee finds that the establishment of an age requirement does not appear to pose a constitutional problem, provided there is a reasonable basis for its application. Persons below age 55 who are not disabled or without minor children would be ineligible for receipt of general assistance for the following reasons.

First, the proposed age requirement is the generally accepted lower age limit for retirement, specifically by statute for State and County government workers in Hawaii. Second, it is the upper limit used by the U.S. Department of Labor for categorizing the "prime working" years. Finally, it is an age when, on the average, more difficulty is encountered by persons seeking jobs.

The primary concern of your Committee is to reduce the ever-increasing cost of our public assistance programs by limiting eligibility for the one program completely within its control. The addition of "bona fide" to the existing residency requirement can be expected to have some affect upon future in-migration patterns. The restriction could affect in-migration by discouraging individuals from migrating to Hawaii without adequate resources or a job. The Department of Social Services and Housing reports that in any given month, there is a movement of approximately 345 individuals coming on and going off public assistance rolls. One can reasonably infer that these young and able-bodied persons move onto the welfare rolls until they obtain a job. It is generally acknowledged that non-residents do find difficulty obtaining jobs upon their arrival.

Your Committee has amended this Act as follows:

1. "temporarily" was deleted from lines 11, page 1, and 3, page 2. Providing GA benefits to disabled persons should be premised primarily on a disabled person's inability to receive SSI benefits from the Federal government and should not depend upon the extent or duration of the person's disability.
2. "dependent" was inserted and "their own" deleted from line 11, page 1. This was done to maintain consistency between language used in SECTION 1 and SECTION 2.
3. "and provide" and "eligible" were inserted to lines 2 and 3, page 2, to make clear that DSSH will administer a GA program as well as pay GA benefits only if a person is disabled, or at least 55 years of age, or have dependent children in the home, and satisfies conditions which require efforts to find employment, enhance employability or otherwise exhaust alternatives so that general assistance is the last resort.
4. "minor" was deleted from lines 13, page 1, and 5, page 2, so that eligibility

Under the "children in the home" provision could include families with 18-21 youngsters who were completing high school requirements or working part-time and continuing college level or vocational curricula.

5. "not otherwise provided for in this chapter" in lines 3-4, page 6, is deleted as redundant because the same phrase appears in subsection (2) of the proposed amendment to section 346-71.
6. Lines 9-12, page 8, have been amended to read:

"(d) A person who is at least 55 years of age shall be eligible for general assistance if:"

so as to use language consistent with other parts of the proposed draft.
7. A sentence has been inserted at line 2, page 10, to make clear that the requirements for seeking employment, enhancing eligibility, and exhausting alternatives are on-going once initial eligibility has been established.
8. Another sentence to make clear that the sanctions of subsection (f) apply to recipients "grand-fathered in" by SECTION 3 has been inserted after line 8, page 11.

Your Committee on Public Assistance and Human Services is in accord with the intent and purpose of S.B. No. 1782-78, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 1782-78, H.D. 1.

Signed by all members of the Committee except Representative Baker.
(Representative Sutton did not concur).

SCRep. 759-78 Legislative Management

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.

Signed by all members of the Committee.

SCRep. 760-78 State General Planning on H.R. No. 217

The purpose of this resolution is to request the Legislative Reference Bureau to investigate methods of providing for population growth and economic stability without degrading or endangering the state's limited supply of natural resources.

Testimonies presented before your Committee by the Growth Management Task Force and the Sierra Club were in favor of H.R. No. 217.

Your Committee finds that uncontrolled growth could severely strain the State's supply of water, agricultural land, open space, recreational areas, utilities, and ecosystems. Limited research in growth management techniques has been undertaken by the Hawaii Institute for Management and Analysis in Government (HIMAG) in their recently completed study, "Analysis of Alternative Land Use Management Techniques for Hawaii." Additional research, especially carrying capacity studies, could prove useful to the State in its efforts to minimize the impact of population growth on our natural resources.

Upon further consideration, your Committee has amended the resolution to request the Legislative Reference Bureau to report its findings to the legislature thirty days prior to the convening of the Regular Session of 1979. Also, a typographical error in the first "Be it Resolved" clause has been corrected.

Your Committee on State General Planning concurs with the intent and purpose of H.R. No. 217, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 217, H.D. 1.

Signed by all members of the Committee.

SCRep. 761-78 State General Planning on H.C.R. No. 17

The purpose of this concurrent resolution is to request the Legislative Reference Bureau, in conjunction with the Departments of Taxation and Budget and Finance, to study the financial impact of population growth on the expansion of major public services and facilities and to assess alternative methods for equitably distributing the costs of growth among present and future generations.

Your Committee has found that high population growth may result in excessive costs on the state and local governments in providing essential services. State and local governments, whether seeking to stem or to encourage growth, should not place the brunt of these increased costs solely on present residents but rather should distribute the costs for these public facilities in an equitable manner.

Testimony presented before your Committee by the Growth Management Task Force was in support of H.C.R. No. 17.

Your Committee has amended the first "Be it Resolved" clause to: "approximate the costs of population growth on the expansion of major public services and facilities."

Your Committee on State General Planning concurs with the intent and purpose of H.C.R. No. 17, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.C.R. No. 17, H.D. 1.

Signed by all members of the Committee.

SCRep. 762-78 Finance on H.R. No. 273

The purpose of the resolution is to request the University of Hawaii to conduct a feasibility study of computerbased education, including an examination of the benefit cost to the higher education budget, and to report its findings and recommendations to the Legislature thirty (30) days before the convening of the Regular Session of 1979.

The University of Hawaii itself supports the intent and purpose of this resolution and on its own had planned originally to review during the summer of 1978 its efforts in this direction. It will, therefore, include this review as part of the requested feasibility study.

Your Committee has amended this resolution to correct an error in spelling.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 273, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 273, H.D. 2.

Signed by all members of the Committee.

SCRep. 763-78 Finance on H.R. No. 393

The purpose of this resolution is to request the Governor of the State of Hawaii to declare the occurrence of a natural disaster due to the prevailing drought conditions on the islands of Hawaii, Maui, and Molokai pursuant to the provisions of section 234-2, Hawaii Revised Statutes, and to thereby initiate procedures for the provision of tax relief pursuant to the provisions of chapter 234, Hawaii Revised Statutes.

Severe drought conditions have resulted in adverse consequences affecting and imperiling cattle and other production in Hawaii county. The current drought is most certain to produce immediate increases in costs because of light shipping weights, supplemental feeding, and prolonged feedlot feeding. This condition is being further compounded by the lack of calf births in the year following the drought, and will result in major economic loss to the cattle industry in Hawaii county.

Maui and Molokai are also being adversely affected by drought conditions, experiencing the lowest rainfall in recorded history during the past twelve month period.

The State Board of Agriculture points to the severity of the drought condition and recommends the provision of every possible assistance. The College of Tropical Agriculture of the University of Hawaii also recommends assistance to cushion the economic losses of cattlemen and others.

Your Committee agrees that a severe drought condition does currently exist in Hawaii

and Maui counties and relief as provided in chapter 234, Hawaii Revised Statutes, is clearly justified.

Your Committee has amended this resolution where necessary in the body of the resolution to further clarify the inclusion of the county of Maui, and assistance to other than cattlemen.

Your Committee on Finance concur with the intent and purpose of H.R. No. 393, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 393, H.D. 2.

Signed by all members of the Committee.

SCRep. 764-78 Finance on S.B. No. 2380-78

The purpose of this bill is to have the Secretary of the Board of Regents be appointed by the Board itself and serve at the Board's pleasure rather than, as the case is at present, have the Secretary be elected by the Board and serve for a fixed term.

This bill would establish a policy consistent with all other appointments within the University of Hawaii system, as well as with the general policy on executive secretary appointments of other boards and commissions throughout the state and county governments. This bill is identical to H.B. No. 2641-78 which passed Third Reading and was transmitted to the Senate (see House Standing Committee Report No. 528-78).

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 2380-78 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 765-78 Finance on S.B. No. 1596-78

The purpose of this bill is to request that the Energy Resources Coordinator conduct a study to obtain basic information needed to initiate a used oil recycling program in Hawaii.

The proposed study would investigate:

- (1) Any impediments to the development and implementation of a used oil recycling programs.
- (2) The feasibility of utilizing the reprocessed oil by state and county governments,
- (3) Other potential uses or markets for the recycled product including measures to develop such markets,
- (4) Possible health and safety problems associated with the use of reprocessed oil, and

Your Committee understands that this study will be funded by the U.S. Department of Energy through the State Energy Conservation Program.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1596-78, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 766-78 Health on S.C.R. No. 46

The purpose of this resolution is to solicit the active encouragement on the part of the Governor and the Mayors of the counties encouraging the citizens of Hawaii, especially governmental employees, to enroll in a cardiopulmonary resuscitation course.

Your Committee believes that there is a conviction among certain knowledgeable individuals that a proliferation within the community of persons trained in cardiopulmonary resuscitation would significantly reduce the number of deaths as a result of heart diseases.

Your Committee finds that with a large number of our citizens employed by the government,

such employees would meet the objectives of the American Heart Association by obtaining 20% of the population trained in the cardiopulmonary resuscitation course.

Your Committee further finds that by training high school students with cardiopulmonary resuscitation techniques, a large majority of the people would be actively involved in this technique. Your Committee also finds that the American Heart Association's objective of having 20% of the population trained may increase.

Therefore your Committee has amended this resolution by adding a "Be It Further Resolved" clause to include a cardiopulmonary resuscitation course in the Department of Education curriculum.

Your Committee on Health concurs with the intent and purpose of S.C.R. No. 46, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.C.R. No. 46, H.D. 1.

Signed by all members of the Committee except Representative Baker.

SCRep. 767-78 State General Planning on H.R. No. 41 (Majority).

The purpose of this resolution is to request the counties to consider modifying existing zoning rules, regulations, and ordinances to permit increased housing density in an effort to reduce housing costs. The resolution proposes that the counties allow home builders to use smaller lots whose size is based on minimum area and more flexible setback requirements rather than on minimum length and width.

Testimony presented before your Committee by the Home Builders Association of Hawaii, the Construction Industry Legislative Organization, and the City and County of Honolulu was in support of H.R. No. 41, H.D. 1.

Your Committee has reviewed this bill and concurs with the findings of the Committee on Housing as reflected in Standing Committee Report No. 38-78.

Your Committee on State General Planning concurs with the intent and purpose of H.R. No. 41, H.D. 1 and recommends its adoption.

Signed by all members of the Committee.
(Representative Abercrombie did not concur).

SCRep. 768-78 State General Planning on H.R. No. 14

The purpose of this resolution is to request the counties to report to the legislature before the end of the 1978 Regular Session on the progress being made in the establishment of central coordinating agencies as mandated by Act 74, SLH 1977. It further requests the Department of Planning and Economic Development (DPED) to submit a report on its efforts to streamline the development review process.

Although it was not legislatively mandated to do so, the DPED under the coastal zone management program undertook a study of the overall development review system. As another step toward the improved coordination and efficiency of the overall land use and planning system, Act 74, SLH 1977 was adopted and it mandated each county to designate an existing county agency as a central coordinating body within that jurisdiction. Your Committee finds that now is an appropriate time to review the progress of the DPED and the counties in their efforts to streamline the development review process.

At your Committee's hearing, the City and County of Honolulu submitted a report on their central coordinating agency's efforts, accomplishments, and recommendations for improvement. The DPED, in testimony presented before your Committee, also indicated its intent to submit a progress report pursuant to H.R. No. 14.

Your Committee on State General Planning concurs with the intent and purpose of H.R. No. 14 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 769-78 Energy and Transportation on H.R. No. 329

The purpose of this resolution is to request the City Department of Transportation Services to present details of the proposed Waialae Avenue realignment of the Honolulu Area Rapid Transit (HART) fixed guideway system at a public hearing of the Committee on Energy and Transportation. The State Department of Transportation and the Federal Highway Administration are also requested to state their positions on the use of the H-1 Freeway for the proposed fixed guideway.

Preliminary design studies of the proposed HART system placed certain segments of the route along the H-1 Freeway median. However, recent public statements made by the State Department of Transportation and the Federal Highway Administration indicate opposition to the use of the Freeway for this purpose since it would require preemption of two essential lanes of traffic.

In response to these objections, the City has now proposed rerouting HART through a subway under Waialae Avenue from the Kahala Mall to 1st Avenue.

Your Committee finds that while the 1975 Legislature supported in principle the concept of a fixed guideway system and made a \$6 million appropriation for it, it did not foresee nor consider the additional cost and social and environmental impact of a Waialae Avenue subway. In addition, testimony presented before your Committee by community and business groups of the affected areas uniformly oppose the realignment.

Your Committee finds that it is in the best interests of the public that the Legislature review and examine the Waialae Avenue realignment of the proposed fixed guideway before continuing support of the project.

Your Committee has amended the resolution to provide that copies of the report of the Committee's findings be transmitted to community and business organizations in the affected areas.

Your Committee on Energy and Transportation concurs with the intent and purpose of H.R. No. 329, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 329, H.D. 1.

Signed by all members of the Committee except Representative Machida.

SCRep. 770-78 Energy and Transportation and Public Employment and Government
Operations on S.B. No. 1773-78

The purpose of this bill is to amend Chapter 46, Hawaii Revised Statutes, by the addition of a new section which would encourage the four counties of the State of Hawaii to participate in the development of alternate energy resources and become involved in the production and distribution of energy.

It is not the intent of this bill to enable municipal public power authorities to duplicate or to take over the conventional energy production or distribution facilities and services provided by franchised and regulated public utilities, if those services are rendered in a satisfactory manner, but to provide a means to assist in the development and practical use of alternate energy resources.

It was the recommendation of Mr. Jack Keppler, managing director of the County of Hawaii; Mr. Kevin Kai, representing the Kauai Electric Company; and Mr. Peter C. Lewis, representing the Hawaiian Electric Company to amend the bill with the addition of, "by an end user or public utility" to line 13.

Your Committees find that the amendment would clarify the ambiguity of the present bill concerning the "direct utilization" of alternate energy resources in cases where a joint-venture partner is not available.

Your Committee on Energy and Transportation and your Committee on Public Employment and Government Operations are in accord with the intent and purpose of S.B. No. 1773-78, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1773-78, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Machida.

SCRep. 771-78 Legislative Management

Informing the House that House Resolution Nos. 513 to 530, House Concurrent Resolution Nos. 106 to 112 and Standing Committee Report Nos. 726-78 to 758-78, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 772-78 Housing on H.R. No. 265

The purpose of this resolution is to establish an Interim Committee to hold public hearings on the status of the Kalakaua Homes project and to submit a report containing findings and recommendations resulting from that hearing twenty (20) days prior to the convening of the Tenth Legislature, Regular Session 1979.

Your Committee on Housing is in accord with the intent and purpose of H.R. No. 265, H.D. 1, and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representative Baker.

SCRep. 773-78 Youth and Elderly Affairs on H.R. No. 324

The purpose of this resolution is to request the United States 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 as a recreational park and senior center.

Your Committee finds that due to the lack of adequate physical facilities, senior citizen programs are very limited along the Waianae Coast. The Waianae Coast Senior Citizens group which presently must utilize the Waianae Methodist Church hall to conduct its activities currently provides programs and services to approximately 200 elderly citizens in the area but are unable to accommodate any others because of the lack of suitable facilities. Consequently a great many more senior citizens along the Waianae Coast who are desirous of senior citizen programs and activities cannot be accommodated.

Your Committee further finds that adequate recreational park facilities along the Waianae Coast are sorely lacking. Specifically there is a need for a park of adequate size to accommodate such activities as baseball, football, tennis and other group activities. At present the existing facilities which are equipped for these functions are overcrowded and inadequate.

Your Committee further finds that the Federal government presently holds title to a parcel of land including buildings in Maile, Oahu, popularly known as the "Voice of America" property which they would possibly be willing to turn over to the State of Hawaii for use as a combination recreational park and senior center.

Your Committee has amended H.R. No. 324, substituting the Waianae Coast Senior Citizens Program wherever reference is made to the Honolulu Community Action Program since the aforementioned group is the appropriate organization. Provisions providing for the use of the property as a recreational park in addition to its use for the senior center have also been included, as it is the intent of the Committee that this property should be open for the use and benefit of the entire community.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 324, as amended herein, and recommends that it be referred to the Committee on Water, Land Use Development and Hawaiian Homes in the form attached hereto as H.R. No. 324, H.D. 1.

Signed by all members of the Committee except Representative Baker.

SCRep. 774-78 Youth and Elderly Affairs on H.C.R. No. 66

The purpose of this concurrent resolution is to request the United States 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 as a recreational park and senior center.

Your Committee finds that due to the lack of adequate physical facilities, senior citizen

programs are very limited along the Waianae Coast. The Waianae Coast Senior Citizens group which presently must utilize the Waianae Methodist Church hall to conduct its activities currently provides programs and services to approximately 200 elderly citizens in the area but are unable to accommodate any others because of the lack of suitable facilities. Consequently a great many more senior citizens along the Waianae Coast who are desirous of senior citizen programs and activities cannot be accommodated.

Your Committee further finds that adequate recreational park facilities along the Waianae Coast are sorely lacking. Specifically there is a need for a park of adequate size to accommodate such activities as baseball, football, tennis and other group activities. At present the existing facilities which are equipped for these functions are overcrowded and inadequate.

Your Committee further finds that the Federal government presently holds title to a parcel of land including buildings in Maile, Oahu, popularly known as the "Voice of America" property which they would possibly be willing to turn over to the State of Hawaii for use as a combination recreational park and senior center.

Your Committee has amended H.C.R. No. 66, substituting the Waianae Coast Senior Citizens Program wherever reference is made to the Honolulu Community Action Program since the aforementioned group is the appropriate organization. Provisions providing for the use of the property as a recreational park in addition to its use for the senior center have also been included, as it is the intent of the Committee that this property should be open for the use and benefit of the entire community.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.C.R. No. 66, as amended herein, and recommends that it be referred to the Committee on Water, Land Use Development and Hawaiian Homes in the form attached hereto as H.C.R. No. 66, H.D. 1.

Signed by all members of the Committee except Representative Baker.

SCRep. 775-78 Youth and Elderly Affairs on H.R. No. 202

The purpose of this resolution is to urge the University of Hawaii to establish child care facilities and programs at all campuses of the University of Hawaii system, for the use of students, faculty, and staff.

Your Committee is in agreement that the care of children is the primary responsibility of the parent or parents of a child, and as such, that parent should make every effort to care for his or her child. Your Committee believes, however, that the pursuit of an education by a parent to better qualify himself or herself for better economic and employment opportunities which would upgrade the standard of living of both parent and child represents a responsible and concerned effort and should not be discouraged.

Your Committee further finds that the establishment of child care facilities and programs on the various campuses may be beneficial to the child in that it will increase the proximity of children to parents and thereby provide the parent and child with the opportunity to spend more time together to develop a closer relationship.

Your Committee finds that the University of Hawaii is unable to establish per se, child care facilities, due to policies set forth by the Board of Regents and outlined in the Guidelines on Campus Day Care Centers, issued by the President of the University. Specifically, no University funds can be expended for the operation of this type of facility.

Your Committee has therefore amended H.R. No. 202 to request the University of Hawaii to assist any campus group which desires to operate a child care facility by providing guidance and information, assisting with administrative matters including securing private sources of funding, and providing space for such facilities provided use of such space can be made available without impinging upon the facility and the scheduling requirements of the curricula offered at the campus concerned.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 202, as amended herein, and recommends that it be referred to the Committee on Higher Education in the form attached hereto as H.R. No. 202, H.D. 1.

Signed by all members of the Committee except Representative Baker.

SCRep. 776-78 Youth and Elderly Affairs and Higher Education on H.R. No. 375

The purpose of this resolution is to request the John A. Burns School of Medicine of the University of Hawaii to incorporate geriatric medicine in the medical school curriculum.

Your Committees find that the elderly in Hawaii represent 6.5 per cent of the present population, and are more susceptible to illness and health disorders both physical and mental than any other segment of the community.

Your Committees further find that the results of a 1976 survey conducted by the American Medical Association showed that 75 per cent of the practicing physicians feel that there is a definite need for increased training in geriatric medicine.

Your Committees believe that special emphasis upon geriatrics in physician training and education is necessary and desirable, and will facilitate increased physician awareness and understanding of aging as a normal human development process and its relationship to medical treatment.

Your Committees have amended H.R. No. 375 to incorporate provisions requiring the John A. Burns School of Medicine to transmit to the Legislature 20 days prior to the convening of the next legislative session, a detailed report outlining the geriatrics program which they plan to incorporate into their curriculum, including a timetable for implementation.

Your Committee on Youth and Elderly Affairs and your Committee on Higher Education concur with the intent and purpose of H.R. No. 375, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 375, H.D. 1.

Signed by all members of the Committee except Representatives Abercrombie and Baker.

SCRep. 777-78 Finance on H.C.R. No. 50

The purpose of this concurrent resolution is to request the office of the Legislative Auditor to conduct an audit of the operation of the Real Estate Commission (1) to determine whether the Commission is providing efficient service to the real estate industry and to the public; and (2) to determine whether program operations can be improved through better utilization of resources or whether additional resources are needed.

Due to the population and economic growth in the State, the increase in the number of real estate licensees, and the increase in the amount of real estate activity, the Commission's workload borders on being unmanageable. Additionally, the Commission appears grossly understaffed and underfunded to effectively handle the increasing responsibilities created by expanded real estate programs and operations. In view of the critical situation confronting the Commission, an audit is necessary to determine the Commission's ability to fulfill its statutory mandates.

Your Committee on Finance concurs with the intent and purpose of H.C.R. No. 50 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 778-78 Finance on H.C.R. No. 64

The purpose of this Concurrent Resolution is to request that the United States Congress amend the Soldiers' and Sailors' Civil Relief Act to permit the imposition of local motor vehicle weight taxes on nonresident military personnel stationed in Hawaii.

There are currently 53,000 vehicles privately owned and operated by military personnel in Hawaii, which are exempt from state and county motor vehicle taxes, resulting in lost county revenues of about \$500,000 annually.

Your Committee agrees that the exemption was adopted during a period of national crisis for purposes and circumstances which no longer exist.

Your Committee received testimony citing the problems of automobile dealers who are required to pay taxes on inventoried vehicles which are subsequently sold to military personnel.

The vehicle weight taxes are directly related to the use and ownership of motor vehicles

and provide for the construction, maintenance and operation of Hawaii's roads, used by the general public, including military personnel who should contribute their fair share to the highway fund for use of the roads.

Your Committee on Finance concurs with the intent and purpose of H.C.R. No. 64 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 779-78 Finance on S.B. No. 2602-78

The purpose of this bill is to grant statutory authority to secondary schools to transfer funds from inactive student activity accounts of graduated classes to the non-appropriated local school fund account, five years following graduation of the class. The graduating class may donate, in writing, such funds to the school within the five year period.

Secondary schools now lack the statutory authority to transfer funds from the inactive accounts of graduating classes to the non-appropriated local school fund accounts. As a result, the schools are required to maintain these funds indefinitely, unless the graduating class donates, in writing, such funds to the school.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 2602-78 and recommends it pass Third Reading.

Signed by all members of the Committee.

SCRep. 780-78 Finance on S.B. No. 2005-78

The purpose of this bill is to provide supplementary loans to be expended by the Department of Agriculture to independent sugar growers by amending Act 19, Special Session Laws of Hawaii 1977.

Your Committee is in agreement with the Committee on Agriculture which included an appropriation of \$1,000,000 to provide additional funds necessary for the purposes of making farm loans to independent sugar growers.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 2005-78, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 781-78 Finance on S.B. No. 113

The purpose of this bill is to amend the statutes relating to expenses to be paid to members of the Board of Education while attending meetings on outer islands or while traveling abroad on official business. The rate was last set in 1970 and is not in line with the most recent provision for State officials generally, which is contained in HRS 7815. The amendment would relate the Board of Education expense rate to HRS 78-15.

The bill would further amend the statutes to allow for the payment of expenses to board members for trips involving official business other than board meetings.

Your Committee has amended this bill to change "chairman" to "chairperson" on page 1, line 14, and "he" to "the member" on page 1, line 16. The requirement for the chairman to sign warrants is also deleted as it is inconsistent with HRS 40-51.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 113, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 113, S.D. 1, H.D. 1.

Signed by all members of the Committee.

SCRep. 782-78 Finance on S.B. No. 1533-78

The purpose of this bill is to eliminate the functional duplication that exists among the three units of State government involved in the development and operation of statewide and multi-departmental in-service training and staff development programs for public employees.

Presently, the Hawaii Institute for Management and Analysis in Government (HIMAG) of the Department of Budget and Finance; the Training and Safety Division of the Department of Personnel Services; and the Center for Governmental Development of the University of Hawaii, share in the responsibility of providing inservice training and staff development services for State and county government employees. During the Regular Session of 1977, the Legislature, by resolution, requested these three State agencies to review and evaluate their functions, responsibilities and authorities with specific attention directed toward eliminating the duplication of in-service training and staff development efforts. In November, 1977, the agencies submitted a report of their findings and recommendations as summarized in the preamble of this bill. The implementation of these recommendations, as contained in this bill, can effectively curtail the functional duplication which presently exists, and result in an improved approach to the planning, coordination and delivery of in-service training and staff development programs.

Under this bill, the Center for Governmental Development is abolished and its functions, powers and duties are to be transferred to the Department of Personnel Services. By consolidating the separate training resources of the University and the Department of Personnel Services, the State's in-service training programs will be strengthened. However, abolishment of the Center should not preclude participation by the University in training programs for government employees. The University should be consulted and utilized as a resource in the development and implementation of such programs.

This bill also provides for the establishment of an advisory committee on training, to recommend program plans and strategies for an overall state training plan, assist in coordinating course offerings, and recommend changes in the state training manual. Your Committee wishes to emphasize the importance of employee involvement and participation in the planning and operation of in-service training and staff development programs. Such involvement is necessary to insure that training needs are identified and that programs and course offerings are structured so as to be meaningful to employees.

Your Committee has amended this bill to include the dean of continuing education as a member of the advisory committee on training.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1533-78, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1533-78, S.D. 1, H.D. 2.

Signed by all members of the Committee.

SCRep. 783-78 Finance on S.B. No. 2279-78

The purpose of this bill is to amend HRS 155-13 (c), to allow extensions on repayment of farm loans up to five years.

Your Committee agrees that the present limitation of two years within which installments of principal payments can be extended may be too restrictive. Conditions such as depressed prices, high production costs, extended poor weather conditions, and spiraling inflation make it difficult for an otherwise reliable borrower to make his loan payment. The federal government has recently given the U.S. Department of Agriculture Farmers Home Administration the option of deferring payments for up to five years to alleviate the current farmers' plight resulting from inadequate farm incomes and increased production costs.

The intent of the extension of time beyond two years will be limited to only extraordinary cases.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 2279-78, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 784-78 Finance on S.B. No. 2617-78

The purpose of this bill is to establish a Conservation and Resources Enforcement Program within the Department of Land and Natural Resources, for enforcement of laws, rules and regulations under Title 12, of the Hawaii Revised Statutes. This bill is intended to consolidate and coordinate the enforcement of all rules and regulations covering all State lands and any other lands and waters subject to the jurisdiction of the Department of Land and Natural Resources.

The bill will also allow the consolidation of service to the public by placing responsibility within the Conservation and Resources Enforcement Program for advice, guidance and permits for hunting and fishing, for camping and park use and for hiking and similar recreational activities on State lands.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 2617-78, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 785-78 Finance on S.B. No. 2616-78

The purpose of this bill is to authorize the governor and the head of the State agency designated by the governor to allow a substitute to represent them on the Hawaii Educational Council.

Your Committee agrees that the governor should be allowed to designate a substitute to represent him at Council functions. This will allow the governor to be kept informed of and provide necessary input to Council matters during his absence. Likewise, the head of a State agency or institution should be allowed to designate a substitute to represent him at Council functions.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 2616-78, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 786-78 Finance on S.B. No. 1342

The purpose of this bill is to permit pollution control bond funding for resource recovery projects, for or by any political subdivision of this State.

Your Committee finds that pollution control bond funding will allow a private corporation to finance the cost of a resource recovery facility with tax exempt bonds. This enables a combination of tax-exempt financing and private ownership which takes advantage of both lower interest rates and federal tax benefits available only to the private sector.

Testimony was submitted by the director and chief engineer of the department of public works, city and county of Honolulu, and others in favor of this bill.

Your Committee has amended this bill as received by your Committee by:

1. Amending the title of the chapter in section 2 of the bill to read: "POLITICAL SUBDIVISION POLLUTION CONTROL BONDS" to reflect, without changing the substance of the bill, that the chapter relates to political subdivisions.
2. Adding a definition of "director" or "director of finance" to make it clear that this term refers to a director of finance of the political subdivision.
3. Making nonsubstantive changes in style and grammar in the bill.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1342, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1342, H.D. 2.

Signed by all members of the Committee.

SCRep. 787-78 Health on S.B. No. 1643-78 (Majority)

The purpose of this bill is to enable the department of health to issue certified copies

of vital records by whatever system appears simplest and least expensive in cost and clerical time.

Your Committee is in agreement that this change in the existing statute would allow the department enough flexibility to overcome the increased demands for information in this area.

A further provision of this bill would enable the department to withhold issuance of certified copies of vital statistics until all information called for on the health information records has been provided to the best knowledge of the citizen requesting the certified copy.

Your Committee is of the opinion that such a procedure is unwarranted and that it would unnecessarily interfere with a citizen's right to have access to certified copies of his vital records. For this purpose, your Committee recommends that this bill be amended by deleting lines 2 through 6, page 2 of Section 1.

Your Committee has further amended this bill to delete line 8, page 1, ", in a format approved by the director of health."

Your Committee on Health is in accord with the intent and purpose of S.B. No. 1643-78, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1643-78, H.D. 2.

Signed by all members of the Committee except Representative Baker.
(Representative Sutton did not concur.)

SCRep. 788-78

Employment Opportunities and Labor Relations on S.B. No. 2567-78

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, proposes 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 legislations 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.

Signed by all members of the Committee.

SCRep. 789-78

Employment Opportunities and Labor Relations on S.B. No. 2100-78

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 current law, an individual who has been suspended from his job for misconduct connected with his work must be disqualified from receiving unemployment insurance benefits. This disqualification period lasts until the individual has subsequently worked for five consecutive weeks.

Your Committee finds that the present disqualification in a case of suspension would prevent a form of abuse by an employer which may encourage employers to impose an unreasonably long period of suspension. Your Committee has therefore amended this bill to retain the disqualification for suspension for misconduct connected with work but has reduced the disqualification period to not less than one week or more than four weeks and has rescind the requalification requirement.

Your Committee on Employment Opportunities and Labor Relations is in accord with the intent and purpose of S.B. No. 2100-78, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2100-78, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 790-78 Finance on S.B. No. 2302-78

The purpose of this bill is to amend HRS 47-7, relating to the issuance, interest rate, denominations, maturities, places payable, registration, redemption, medium of payment, sale, or other disposal of county bonds authorized for issuance by the governing body thereof and HRS 47-52, relating to the refunding of bonds authorized.

The bill allows the use of the True Interest Cost (TIC) method of determining best bidder on bonds in addition to the presently allowed Net Interest Cost (NIC) method. The TIC method is difficult to compute, but because it considers the time value of money it renders a more meaningful measure than the NIC method.

The bill permits the private sale of bonds to the United States or the State of Hawaii or to any of their boards, agencies, or instrumentalities, such as the Farmers Home Administration.

Finally, the bill permits the private sale of refunding bonds. This gives the issuer the flexibility of tailoring a plan. Coupon rate can be compared to market rate to determine reasonableness.

Your Committee has amended this bill to make a clarifying language change on page 4, line 22.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 2302-78, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2302-78, H.D. 2.

Signed by all members of the Committee.

SCRep. 791-78 Legislative Management

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.

Signed by all members of the Committee.

SCRep. 792-78 Finance on S.B. No. 2202-78

The purpose of this bill is to make appropriations for capital improvement projects and to authorize the issuance of bonds.

From all indications, the State is still in a period of economic slowdown, with detrimental effects on employment, public welfare, and tax revenues. Generally, the appropriate governmental response to a sluggish economic condition is to take counter-clinical action by injecting additional capital investment funds to stimulate the economy. Through the supplemental budget as well as this measure, the State is authorized to undertake a wide range of projects, of value in themselves, but with the objective also of having a healthy

effect on the economy.

While capital investment expenditures can generally contribute to economic health, your Committee believes that attention should be directed particularly to those programs and projects which are directly designed to broaden the economic base of the State and contribute to economic development. Therefore, the principal component of this bill is a potentially far-reaching statewide economic development program of \$10 million to be applied against a number of projects and programs designed to assist specific sectors of the economy. These authorized projects include the following:

- . Warehousing and manufacturing facilities to be leased to manufacturers of Hawaiian products.
- . A state fishery freezing and cooling facility for the Hawaii fishing industry.
- . Experimental cargo transport for the inter-island movement of agricultural, floral, and other Hawaiian products to establish methods of extending the shelf-life of such products.
- . Financing to implement H.B. No. 1778-78, passed by the House of Representatives as enabling legislation for economic development bonds to alleviate unemployment and to provide assistance for the development of the State's economy.
- . Alternative energy research, development and demonstration projects, including biomass projects, state geothermal projects, ocean thermal projects, solar and wind research projects.
- . Foreign Trade Zone Annex facilities in the counties of Hawaii, Maui, and Kauai to facilitate the assembly operations of exported and imported goods and utilize the local labor market.
- . Development of water and irrigation systems.

In addition to the projects which comprise the statewide economic development program, other capital investment needs have been provided for by your Committee. The total amount of general obligation bonds authorized to be issued under this bill is \$53,150,100.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 2202-78, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. 2202-78, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 793-78 Finance on S.B. No. 1469

The purpose of this bill is to provide for a cost of living increase in the welfare payment standard subject to legislative appropriation.

Your Committee finds that the State's revenue picture and the deficit of \$18.6 million projected in the money and medical payment programs for fiscal year 1978-79 compels the deletion of the automatic cost of living increase.

The bill does not propose complete elimination of cost of living increases but proposes the exercise of legislative authority and approval to pass on cost of living increases based on increases in the average weekly wage or Consumer Price Index, whichever is lower.

Your Committee has amended this bill in order to clarify the intent. Subsection (b) of HRS 346-53 relates specifically to the maximum basic needs allowance, therefore, all references to the shelter allowance have been deleted from section 1 of this bill. In addition, a base date has been provided for the implementation of the proposed amendments to the method of increasing the maximum basic needs allowance.

References to the biennial report on the adequacy of the basic needs allowance and shelter allowance have been deleted from section 1 of this bill and reinstated in HRS 346-54.

Your Committee finds that the level of payment should not be the only factor considered in controlling welfare costs. Therefore, your Committee has also amended this bill to require that the director of social services report to the legislature whenever the rate

of increase in general fund welfare expenditures exceeds the rate of increase in general fund tax revenues. The director shall present cost control recommendations for legislative consideration. This reporting requirement will allow the legislature to assess the many factors that affect welfare costs and decide whether to act to contain those costs within the state's ability to pay.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1469, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1469, S.D. 1, H.D. 2, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 794-78 Finance on S.B. No. 2620-78

The purpose of this bill is to amend pertinent chapters of the Hawaii Revised Statutes to make funding and administrative provisions to enable recipients of social services to satisfy statutory requirements imposed by state and federal tax and employment insurance programs resulting from the receipt of such services, and to exempt them from statutory requirements under state wage loss replacement programs.

In providing attendant care-chore service and in-home child care payments, the Department of Social Services and Housing (DSSH) has been advised by the State Department of Labor and Industrial Relations (DLIR) and the Internal Revenue Service (IRS) that individuals who provide such social services come under the "domestic service" definition of employment security and wage loss replacement laws.

If the specific exemptions to the State's wage loss replacement and employment insurance programs are not adopted, the attendant care-chore services and in-home child care service payments must be adjusted to include the recipient/employer's contribution to the following programs: State Unemployment Insurance Benefits (UIB); State Worker's Compensation (WC); State Temporary Disability Insurance (TDI); and Prepaid Health Insurance (PPHI).

Even if recipients were exempt from the aforementioned state programs, it would still be incumbent upon the recipients to contribute and withhold monies for federal programs, Federal Insurance Compensation Act (FICA); Federal Unemployment Tax Act (FUTA).

This bill appropriates \$110,902 out of the general revenues of the State of Hawaii, of which \$83,176.50 shall be reimbursed by federal funds. The sum of \$84,000 shall be used to meet the cost of FICA and FUTA contributions for recipients of social services. The balance of \$26,902 will be used to hire two additional clerical positions and provides for other administrative costs to accommodate the increased workload of record keeping, and meeting contribution deadlines.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 2620-78, S.D. 2, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 795-78 Finance on S.B. No. 380

The purpose of this bill is to provide certain sewer workers with the opportunity to retire with twenty-five years of service at any age without reduction of benefits as normally would be required by law.

Under present law, policemen, firemen and corrections officers, regardless of age, are entitled to full retirement benefits after twenty-five years of service without penalty because of the hazardous nature of their work.

Your Committee agrees that sewer workers are subject to equally hazardous conditions due to frequent exposure of the workers to toxic gases and to various deadly diseases, and therefore should be afforded similar opportunity to retire upon twenty-five years service.

Your Committee has amended this bill to provide that in order to qualify for early retirement, the member must have spent the last five or more years prior to retirement

as a sewer worker. The classification of "sewer maintenance supervisor I and II" is clarified and "cesspool pumping supervisor" is added.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 380, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 380, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 796-78 Finance on S.B. No. 2478-78

The purpose of this bill is to amend the Hawaii Revised Statutes to provide that methods of assessment may include assessment on a frontage basis, according to the area of land within the improvement district, or any combination thereof. Under existing state law assessment may be made only on a frontage basis or according to area of land within an improvement district. Your Committee believes that the proposed amendment will give the counties greater flexibility in assessing land within an improvement district.

This bill also prohibits any county from imposing or collecting any ad valorem assessments for the establishment, maintenance, or replenishing of any reserve funds established to provide security, in addition to moneys collected on assessments for improvements, for payment of principal and interest on bonds issued for such improvements.

Your Committee finds that under existing law, a county may collect an annual ad valorem assessment against all landowners within an improvement district whether or not such owners were delinquent in payment of their assessments. This ad valorem assessment is used to replenish the reserve fund as additional security for payment of improvement bonds. Where the number of delinquent landowners is disproportionately high, the harsh burden of replenishing the reserve fund falls, for all practical purposes, upon those few owners who have consistently paid their assessments on time. Your Committee finds that use of an ad valorem assessment is inequitable and that prohibition of such use would leave the counties sufficient flexibility to deal with such problems.

Your Committee has amended the bill to provide that the prohibition against the ad valorem assessment shall only apply to the counties with a population of less than 100,000 which was the original limitation in the bill and to provide that the prohibition is prospective only. Such prospectiveness is necessary, as the smaller counties have already entered into improvement by assessment districts for which under opinion of bond counsel they must be able to impose such an ad valorem assessment. Your Committee has further amended the bill to provide that the assessment on a frontage basis or according to the area of land are clearly alternative methods and methods which may be combined. Finally, your Committee, on the recommendation of the counsel from Hawaii, has added the ability to assess land under any other assessment method which assesses the land according to the special benefit conferred to allow the counties the necessary flexibility to assess by a method other than area or frontage.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 2478-78, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2478-78, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 797-78 Corrections and Rehabilitation and Judiciary on S.B. No. 2591-78

The purpose of this bill is to transfer the Intake Service Centers, which are now administered by the Office of the Governor, to the Department of Social Services and Housing; to transfer the officers and employees whose functions are involved; to transfer all records, equipment, machines, files, supplies, documents and other property relating to the functions transferred, and to give the executive director of the Intake Service Centers civil service status with all of the benefits which this includes.

There was testimony by the representatives of both the Department of Social Services and Housing, and the Intake Service Centers. The director of ISC testified that the Executive Branch of government may be limited in the fiscal and administrative services it can offer the ISC. The director of DSSH testified that its fiscal and administrative support services are already somewhat strained but that DSSH would have the technical capability to administer ISC.

During discussion on this bill, much concern was expressed that the Intake Service Centers should remain an independent agency within the Department of Social Services and Housing and that its staff should not be used for other functions within that department or be transferred to other divisions within it. The director of the ISC said he believed that the organization and its functions should be autonomous within the administration of the Department of Social Services and Housing and that any personnel transfers should be voluntary and not mandatory.

Your committee has decided upon three amendments in SECTION 3 of this bill. First, the word "director" on Line 1, Page 3 should be changed to "administrator".

For the second amendment, the following material, formerly bracketed, should remain within Section 353-1.4: "The administrator of the Oahu intake service center shall appoint the directors of the other intake service centers pursuant to chapters 76 and 77."

Thirdly, because discussion on this bill revealed some confusion as to exact meaning of the word "director" in Line 4, Page 3 -- whether this title refers to the director of ISC or to the director of DSSH -- your committee was not sure about the original intent of the Senate and has changed the sentence between Lines 4 and 7 to read thus: "There shall be an over-all administrator of the ISC who shall manage, control, and direct all of the centers, and he or she shall be appointed by the director of social services pursuant to chapters 76 and 77."

Your Committees on Corrections and Rehabilitation and Judiciary are in accord with the intent and purpose of S.B. No. 2591-78, S.D. 1, as attached herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2591-78, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Baker, Garcia and K. Yamada.

SCRep. 798-78 Finance on S.B. No. 1782-78 (Majority)

The purpose of this bill is to amend section 346-71, General assistance, so as to limit eligibility for the State's general assistance program to those persons who are disabled, or are at least 55 years of age, or have dependent children in the home, and are unable to provide sufficient support for themselves and those dependent upon them. This bill provides that persons satisfying any of the three aforementioned criteria shall also satisfy specific conditions requiring the enhancement of employability, the seeking of employment, and the exhaustion of alternatives to receipt of GA benefits. It also sets forth specific criteria which shall be considered by the Department of Social Services and Housing in implementing the existing resident proviso of the section.

Your Committee is in agreement with the intent and purpose of this bill.

As a wholly State funded program, the GA program is subject to the statutory restrictions and conditions imposed by the legislature. The fact that the cost of public assistance programs have consistently increased in the last several years cannot be ignored. DSSH has had to make yearly requests for increased funding and supplemental appropriations in order to meet the ever-increasing demands of rising caseloads and the expenditures accompanying that rise. More particularly, the GA caseload has experienced consistent increases in recent years. In response to this increase during this fiscal year alone, DSSH has requested a supplemental \$1.8 million in order to avoid an anticipated year-end deficit in the GA budget, and is seeking inclusion of \$1.7 million in the supplementary budget for FY 78-79.

Without the eligibility limitations proposed by this bill, your Committee can only anticipate that, in reliance upon past experience, the GA caseload and costs will continue to increase. Although some needy persons in the State will no longer be eligible to receive GA benefits, your Committee is compelled to conclude that it is in the State's best interest that these limitations be adopted. In order to insure the fiscal integrity of the State, measures to control public assistance expenditures must be undertaken.

Your Committee concurs with the finding of the Committee on Public Assistance and Human Services that the age limit of 55 is reasonably based.

Your Committee firmly believes that it is important to provide DSSH with statutorily stated criteria with which to implement the proviso that recipients of GA benefits be residents of this State, and that clearly stated guidelines for determining residency are

necessary, not only for the benefit and use of the Department, but for the applicants and recipients as well. Requiring that GA applicants and recipients be residents of this State is not new. The present statutes include this requirement but, your Committee believes that certain parameters or indicia must be established to assess an applicant's intent to reside in Hawaii.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1782-78, H.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.
(Representative Sutton did not concur.)

SCRep. 799-78 Finance on S.B. No. 1622-78 (Majority)

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

Your Committee has reviewed the claims set forth in the transmittals from the Department of Budget and Finance and the Department of the Attorney General, and your Committee proposes that these claims be incorporated into this bill.

The bill appropriates the total sum of \$1,062,779.04 representing 60 claims for legislative relief pursuant to Section 37-77 and Chapter 662, Hawaii Revised Statutes. Your Committee recommends that payment of these individual claims be authorized by the Legislature. This bill is similar to H.B. No. 1770-78, H.D. 1, which passed Third Reading and was transmitted to the Senate. (See House Standing Committee Report No. 591-78.)

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1622-78, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.
(Representatives Dods, Narvaes and Sutton did not concur.)

SCRep. 800-78 Finance on S.B. No. 2614-78

The purpose of this bill is to amend Section 224-3, Hawaii Revised Statutes, to provide for exemption of the Executive Secretary of the Commission on Population and the Hawaiian Future from the provisions of Chapters 76 and 77.

The Commission is primarily concerned with formulating and recommending population growth and distribution, and related policies to the Governor. Moreover, the Commission is mandated to examine, evaluate and recommend program emphasis in education, family planning services, environmental protection, data collection and information systems, etc., as they relate to population and the effects on Hawaii's future.

Your Committee agrees that the role of Executive Secretary is especially sensitive to the specific inclinations of the Executive Branch as well as to those of the Commission. Therefore, the selection of an Executive Secretary and the tenure of office should not be constrained by the provisions of Chapters 76 and 77. Under this bill, the Commission would be authorized to appoint and fix the compensation of its Executive Secretary without regard to the civil service and compensation laws of the State.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 2614-78 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 801-78 Finance on S.B. No. 1787-78 (Majority)

The purpose of this bill is to define the term "resident" as it applies to employment by the State or counties, and to establish a preference for residents and their dependents.

Under the provisions of this bill, an applicant for State or county employment must be a citizen, national, or permanent resident alien of the United States and a resident of the State. Although the courts have thus far invalidated durational residency as a

requirement for employment, the application of residency per se, as a condition of employment, is valid. The criteria for determining residency, as established in this bill, appear to be legally supportable.

Your Committee agrees that this bill will enhance job opportunities for Hawaii residents and will assist the State's unemployed by promoting the hiring of residents for jobs with State and county government agencies. The employment of persons who currently reside here needs to be encouraged. The geographic location of our State poses severe problems for residents who are unable to find work locally. Unlike the unemployed in mainland states, unemployed Hawaii residents cannot easily commute to another state in order to seek work. To find gainful employment, Hawaii's unemployed residents may have to physically move to another state.

Your Committee further agrees that there is a compelling state interest underlying the intent and purpose of this bill. During the period 1960 to 1975, Hawaii's civilian population growth rate was twice as fast as that of the entire United States, largely because of the influx of new residents. New residents create greater demands for housing, police, transportation, schools, sewers, and other public services. Uncontrolled population growth has already resulted in urban crowding and congestion. By controlling the population growth rate, social costs can be curtailed or at least effectively managed. State government can then channel its resources into programs designed to benefit its residents.

Your Committee concurs with the findings of House Standing Committee Report No. 755-78.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1787-78, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.
(Representative Sutton did not concur.)

SCRep. 802-78 Finance on S.B. No. 1627-78

The purpose of this bill is to authorize funds for collective bargaining incremental salary and holiday pay adjustments for employees in bargaining Unit II.

The bill provides a legislative appropriation of \$166,322 (FY 1977-78 - \$34,240 and FY 1978-79 - \$132,082) to BUF 101, to fund increases in collective bargaining cost items for fire fighters of the Air Transportation Facilities Division and the Water Transportation Facilities Division. The dollar amounts appropriated in the bill represent the difference between the budgeted incremental amount, and the amount negotiated. For the Water Transportation Facilities Division, the collective bargaining cost increases will be reflected as additional collective bargaining contractual costs for the services of fire fighters manning the fireboat, Abner T. Longley, which are provided by the Honolulu Fire Department of the City and County of Honolulu on a contractual basis.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1627-78 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 803-78 Finance on S.B. No. 2609-78

The purpose of this bill is to amend Sections of Chapter 346, Hawaii Revised Statutes, 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 experienced difficulty in obtaining access to providers' records to enable the Department to investigate suspected cases of fraud and abuse.

Federal regulations in 42 CFR 250.21 require that each provider of service in the Medicaid program "keep such records as are necessary fully to disclose the extent of the services provided" and also to "furnish the State agency with such information regarding any payments claimed" for providing those services as the State agency may request. This legislation will enable the Department to force, if necessary, compliance with those regulations.

In adopting the necessary rules to carry out the intent of this bill, your Committee requests that the Department allow reasonable review by providers.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 2609-78, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 804-78 Finance on S.B. No. 389

The purpose of this bill is to coordinate the State housing policy with the development of housing projects by the creation of a planning mechanism, implemented by a housing development plan, which phases housing project financing over a two-year fiscal period.

This bill creates a housing development plan which the Hawaii Housing Authority will use to identify available financing, immediate needs, and other resources and establishes an application, rating, review, and disposition process for requests made to the authority for housing project assistance.

Your Committee agrees that this bill will improve the quality of housing projects and decrease the price of housing units.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 389, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 805-78 Finance on S.B. No. 1673-78

The purpose of this bill is to exclude University of Hawaii bookstores from the requirement of advertising for bids. The intent of this bill is to provide the bookstores with sufficient flexibility to meet student needs for desired materials and supplies.

Your Committee agrees with the findings of the Committee on Higher Education set forth in House Standing Committee Report No. 715-78: The exclusion from bid requirements should be favorably reflected in the price of books and supplies and to the advantage of students.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1673-78, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 806-78 Finance on S.B. No. 1811-78

The purpose of this bill is to make an appropriation for a conceptual design study on semi-submersible platform ships (SSP) for an interisland ferry system. This bill authorizes the director of transportation to develop documentation in the form of a preliminary design and an environmental impact statement and to assist a potential private owner and operator in obtaining federal subsidies for the design and construction of an SSP-type ferry system.

A ferry system using these smaller, more stable vessels could open up new opportunities to residents and local businesses and could make a positive impact on economic and social relations between the islands.

Your Committee agrees that the establishment of an SSP interisland ferry, privately owned and operated, should be encouraged. Your Committee further agrees that previous plans for a large, conventional interisland ferry should be abandoned and the repeal of prior appropriations made for the planning, design and construction of these state-operated and state-assisted ferry systems, is in order.

This bill appropriates \$160,000 for SSP purposes.

Your Committee has amended this bill to correct and clarify the legislative findings.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1811-78, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading

in the form attached hereto as S.B. No. 1811-78, S.D. 2, H.D. 2.

Signed by all members of the Committee.

SCRep. 807-78 Finance on S.B. No. 1690-78

The purpose of this bill is to authorize the courts to accept payment by credit card of court costs, fees, fines, bail forfeitures, expenses and other charges due the courts. Use of credit cards will significantly facilitate collection of sums owed to the courts.

Under the present system in the Judiciary, a number of steps must be taken to record and collect due payments, and the number of transactions involved is immense and require substantial staffing. Payment made by credit card will be more convenient for citizens and will require no paper work and no collection effort by the courts for the credit card company will handle both record keeping and collections.

Your Committee agrees that because credit card companies are specialists in the field of payments and collections and enjoy the efficiencies of size, it is sound management for the courts to utilize this expertise.

This proposal is identical to H.B. No. 1880-78, H.D. 1, which passed Third Reading and was transmitted to the Senate. (See House Standing Committee Report No. 496-78.)

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1690-78, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 808-78 Finance on S.B. No. 36

The purpose of this bill is to amend Chapter 83, Hawaii Revised Statutes, to clarify the statutory provisions relating to temporary inter-governmental assignments of public employees.

The efficiency and effectiveness of government operations can be greatly improved if personnel were able to acquire a fuller understanding of the programs, processes and problems of governmental units other than their own. The temporary assignment of personnel to another jurisdiction is one means by which such knowledge may be gained.

This bill will facilitate the temporary assignment of public employees to and from other jurisdictions. The bill extends the allowable period of temporary assignment from six months to two years, and provides for an extension of up to two additional years. This bill also provides for clarification of the status and rights of employees on temporary assignment to another government. Matters relating to salary benefit costs and travel expenses with respect to inter-governmental transfers are also clarified.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 36, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 809-78 Finance on S.B. No. 1591-78

The purpose of this bill is to enable State and county governments to comply with Title III, Part C of the Energy Policy and Conservation Act of 1975 (P.L. 94-163) which requires government agencies to institute energy efficiency standards and policies in procurement practices.

The State Energy Conservation Program (SECP) contains five mandatory requirements, one of which involves the area of government procurement practices. To insure \$1.5 million in federal funding over the next biennium under the SECP, the State must institute these practices by July 1, 1978.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1591-78, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 810-78 Finance on S.B. No. 1772-78

The purpose of this bill is to amend Section 88-51, Hawaii Revised Statutes, to include prior service rendered as a full-time employee of the Pioneer Mill Hospital, Maui, in the definition of membership service for purposes of the Employees' Retirement System.

In January, 1961, Pioneer Mill Hospital closed down its operations and that subsequently, some of its former employees have entered State employment in the health care field. Under this bill, these employees would be allowed to purchase service credits in the Employees' Retirement System for the period during which service was rendered as an employee of Pioneer Mill Hospital. The Department of Health reported that one employee at Kula Hospital and three employees at Maui Memorial Hospital would benefit from the proposed amendment to Section 88-51. Because of the minimal number of employees, the Employees' Retirement System testified that such amendment would entail no actuarial cost to the System.

Enactment of this bill is consistent with Act 151, Session Laws of Hawaii 1976, and Act 51, Session Laws of Hawaii 1977, which allowed former employees of Puunene Hospital, Halimaile Dispensary and Paia Hospital on Maui, and Waimea Hospital on Kauai to make similar credit purchases in the Employees' Retirement System.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1772-78 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 811-78 Finance on S.B. No. 2190-78

The purpose of this bill is to require the state director of transportation to insure that the state highway system conforms to the safety standards and construction criteria required by the Federal Highway Safety Act of 1966, as amended.

This bill formalizes practice already established in the Department of Transportation.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 2190-78 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 812-78 Finance on S.B. No. 1752-78

The purpose of this bill is to repeal Section 46-14, Hawaii Revised Statutes, thus enabling those jurisdictions responsible for the provision of ambulance services to either continue to provide free service or charge reasonable fees.

However, it is the strong position of your Committee that no unit of state or 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.

This bill is made effective July 1, 1979, so that it will coincide with the effective date of S.B. No. 2386-78, S.D. 2, H.D. 2.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1752-78, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 813-78 Finance on S.B. No. 2386-78 (Majority)

The purpose of this bill is to establish and maintain a State comprehensive emergency medical services system by providing a framework for the implementation of a fully integrated, cohesive network of components designed to assure the provision of emergency medical services consistent with the needs of the people of this State.

The proposed system, to be established, implemented, and administered by the Department of Health, is designed to take advantage of particular expertise in emergency services

which has developed in the State of Hawaii, and to ensure the continuation of the development of appropriate and adequate services.

This bill also establishes a State Emergency Medical Services Advisory Committee to advise the Department of Health in formulating a master plan for emergency medical services, including medicom, the "911" system, and other components necessary to meet the emergency medical needs of the people of the State. The advisory committee is to consist of fifteen voting members of which three will be ex-officio members (the director of transportation, the adjutant general, and the administrator of the State Health Planning and Development Agency); twelve public members, including four from a panel of physicians nominated by the Hawaii Medical Association, four consumers of health care, who shall represent each of the counties, and four members of allied health professions related to emergency medical services.

Under this bill, the State, through the Department of Health, will set the standards for the State emergency medical services and the system, including emergency ambulance services. The counties and any other person required to provide emergency medical services by contract with the State must conform to the State system and with the standards established by the Department of Health. The Department of Health may contract to provide emergency medical services or any necessary component of a county emergency services system in conformance with the State system. Where a county applies to the Department to operate emergency medical ambulance services within the county, the Department shall so contract with the county. Where the county does not apply with the Department to operate such services, the Department shall assume these responsibilities to contract with private agencies.

Your Committee concurs generally with House Standing Committee Report No. 723-78. However, your Committee has amended this bill to delete the section appropriating funds and to make necessary revisions therefor.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 2386-78, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2386-78, S.D. 2, H.D. 2.

Signed by all members of the Committee.
(Representative Sutton did not concur.)

SCRep. 814-78

Finance on S.B. No. 2559-78

The purpose of this bill is to allow a State or county employee who is an elected delegate to the Constitutional Convention, the option of taking accumulated vacation leave in lieu of taking a leave of absence without pay. An employee who elects to take vacation leave would not be entitled to the delegate's salary as provided for by Act 17, First Special Session Laws of Hawaii, 1977.

Your Committee agrees that the delegate's salary established by Act 17 has tended to discourage State and county employees from seeking election as delegates to the Constitutional Convention. For employees presently earning in excess of \$1,000 a month, service to the State as a Convention delegate can represent a significant financial loss. Many private businesses are allowing their employees to receive vacation with pay benefits while they are serving as delegates to the Convention. Presumably, they will also receive the salaries and allowances provided to delegates.

While this bill does not permit public employees to simultaneously receive earned vacation benefits and delegate salaries, it does allow public employee-delegates the option of receiving one or the other as compensation during the period of service as a Convention delegate. In the event that an employee who elects to take vacation leave subsequently exhausts all such earned leave during the period of the Convention, it is the intent that the employee would then be granted a leave of absence without pay and would be entitled to receive the delegate's salary as established under the provisions of Act 17.

This bill further provides for protection of the seniority rights of those employees who elect to take leaves of absence in order to serve as delegates.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 2559-78, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 815-78 Finance on S.B. No. 1581-78

The purpose of this bill is to provide an additional \$3,845,000 for research and development, applications, and demonstrations directed toward the development and utilization of alternate energy resources for the State of Hawaii.

Your Committee has deleted all language relating to general fund appropriations from Section 1. Sections 2 and 3 are also revised.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1581-78, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1581-78, S.D. 1, H.D. 2.

Signed by all members of the Committee.

SCRep. 816-78 Finance on S.B. No. 2114-78

The purpose of this bill is to establish a job sharing pilot project in the Department of Education.

Job sharing, which would allow two half-time positions in place of one full-time position, is an innovation which will increase the available employment options so that people may have the opportunity to be employed on the basis of their financial and other needs, without, perhaps, the necessity of being employed on a full-time basis.

The merits of job sharing warrant systematic experimentation and the Department of Education, due to the possibility of expanding the number of jobs and its possible impact upon the disproportionate numbers of unemployed teachers in the State, is an appropriate agency within which to initiate a job sharing pilot project. The implementation of a job sharing pilot project may create more stimulating environments for teachers in their professional capacities, and may also provide additional educational stimulus for students. The augmentation of teachers' skills may also be a result of job sharing, for teachers would have greater time available to them to pursue additional training and education.

Your Committee concurs with the findings of House Standing Committee Report No. 744-78.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 2114-78, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 817-78 Energy and Transportation on S.B. No. 782

The purpose of this bill is to provide for regulation and control of motor-driven bicycles or "mopeds" as they are more commonly known.

Your Committee finds that because of the ever increasing use and popularity of mopeds, regulation and control is necessary in the interests of safety and traffic efficiency.

The bill provides for a new "moped" classification under motor vehicles, deleting existing language in the law relating to motor-driven bicycles; redefines the terms "bicycle," "vehicle" and motor vehicle; provides for registration and taxing of mopeds, seizure and sale of mopeds without the required tags or decals, and amends provisions of the traffic code relating to bicycles. The bill also amends Chapter 291C by adding a new part to be entitled "Special Rules for Mopeds" and which makes the following provisions:

- (1) Provides a penalty for violation of the Rules and holds parents or guardians responsible for the actions of minors.
- (2) Subjects moped drivers to traffic laws applicable to motor vehicles, except as noted.
- (3) Requires a moped operator to have a valid driver's license which must be exhibited upon the demand of a police officer.

- (4) Establishes a minimum age of fifteen years for moped drivers; prohibits the carrying of passengers and restricts the carrying of packages on mopeds.
- (5) Regulates the driving of mopeds on roadways and prohibits driving of mopeds on sidewalks.
- (6) Prohibits driving a moped on any roadway with an established speed limit of greater than 35 miles per hour.
- (7) Requires mopeds to use bike lanes where provided unless prohibited by the director of transportation.
- (8) Establishes a maximum operating speed of 35 miles per hour.
- (9) Prohibits a moped operator from attaching himself or the vehicle to any other vehicle, bicycle, coaster, sled, toy vehicle or person on roller skates.
- (10) Prescribes lighting requirements for mopeds.
- (11) Provides requirements for renting or selling mopeds.
- (12) Sets equipment requirements for mopeds.
- (13) Requires moped sellers to furnish a certification showing compliance with equipment requirements.
- (14) Prohibits the defacing, destroying, or altering of serial numbers or identifying marks on mopeds.
- (15) Prohibits the possession of a moped or moped part on which the serial number or identifying mark has been changed, altered, erased or mutilated.
- (16) Restricts the modification of a moped motor.

By including mopeds under the definition of motor vehicles mopeds would be subject to the state's no-fault insurance law. Your Committee reviewed information from the insurance industry concerning the cost and feasibility of insuring mopeds. Although cost estimates were based on motorcycle rates because of a lack of actuarial data relating to mopeds, your Committee believes that moped insurance should be available at reasonable cost, and that requiring moped operators to carry insurance would be in the best interests of the public.

Your Committee on Energy and Transportation is in accord with the intent and purpose of S.B. No. 782, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Abercrombie.

SCRep. 818-78 Housing on S.B. No. 1950-78

The purpose of this bill is to amend the definition of residential project found in Section 206E-2(4)(A), Hawaii Revised Statutes, by deleting reference to accommodations for persons or families of low income, in consonance with the State Constitutional amendment ratified by the electorate in November, 1976.

Your Committee has amended S.B. No. 1950-78, S.D. 1, by deleting Section 2 of the bill. Your Committee believes this section provides the authority with unprecedented, and unwarranted, autonomy.

The Committee does not believe that circumstances necessitate these emergency measures. However, your Committee does feel that the department heads involved should be reminded that cooperation should be based upon expediting goals rather than upon personal rapport.

Your Committee on Housing is in accord with the intent and purpose of S.B. 1950-78, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1950-78, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 819-78 Judiciary on S.B. No. 1855-78

The purpose of this bill is to amend the penal code provisions relating to sentencing of repeat offenders.

At present, under Section 706-606.5, a person with a prior conviction for certain designated felonies who is convicted a second or third time for committing the same crime is subject to a mandatory minimum period of imprisonment without possibility of parole.

The bill amends the present provisions by providing for imposition of the same mandatory minimum sentences without parole where a person is convicted of any class A or B felony if he has a prior conviction for any class A or B felony in any jurisdiction. The bill also provides for a mandatory minimum term without parole of 15 years for offenders convicted for the fourth time for any felony, provided that at least two of the prior convictions must be for class A or B felonies.

Your Committee amended the bill by deleting the provisions relating to conviction of any class A or B felony and by reinstating the offenses enumerated in the present section and by deleting the requirement that the subsequent conviction must be for the same offense. Your Committee also amended the bill by deleting the provisions relating to sentencing for four or more felony convictions.

Your Committee amended the bill because it believes that the principal objection to the present statutory language is that requiring a second conviction for the same offense as a condition to imposition of the mandatory minimum sentencing provisions is an unsatisfactory way of dealing with repeat offenders. Police statistics reveal that only 11.2 percent of persons arrested in 1977 were repeat offenders of the same crime, while 53.6 percent were repeat offenders of the same or other offense. Repeat offenders of serious felonies should be subjected to the mandatory minimum sentencing provisions.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1855-78, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1855-78, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Baker, Cobb, Naito and Uechi.

SCRep. 820-78 Judiciary on S.B. No. 2595-78

The purpose of this bill is to amend the Hawaii Penal Code by providing for a new offense known as "obstruction of justice," and by providing for a mandatory five year term of imprisonment without possibility of parole upon conviction.

Your Committee has amended the bill by deleting the mandatory sentencing provisions in Section 2 and 3 of the bill and by providing instead for sentencing under the provisions of the penal code as a class C felony, because your Committee believes such a sentencing provision to be more appropriate for the offense.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 2595-78, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2595-78, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Baker, Cobb, Naito and Uechi.

SCRep. 821-78 Judiciary on S.B. No. 1691-78

The purpose of this bill is to provide for notification of victims of criminal acts, who report the crime to police, of the benefits available under the Criminal Injuries Compensation Act. Under present law, court, service center or agency personnel are supposed to provide such notice. However, such personnel often do not have any contact with victims of crime. Police Department personnel often are the only ones in contact with victims.

Your Committee finds that this bill will facilitate fulfillment of the original intent of the Criminal Injuries Compensation Act to compensate victims of criminal acts.

Your Committee amended the bill to provide that the counties or their employees shall not be liable in the event they fail to give the required notice because your Committee believes that it would not be appropriate for liability to attach in such cases.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1691-78, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1691-78, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Baker, Fong and Naito.

SCRep. 822-78 Judiciary on S.B. No. 1801-78

The purpose of this bill is to provide that the physician-patient privilege provided in Section 621-20.5, Hawaii Revised Statutes, does not apply to any administrative or disciplinary proceeding in which the competency, medical license, or practice of the physician is at issue. A further purpose is to ensure the confidentiality of the patients.

Presently, disciplinary action taken by the Board of Medical Examiners against physicians has been frustrated by the confidentiality requirement of Section 621-20.5. Your Committee heard testimony from the Department of the Attorney General that licensed physicians have interposed the physician-patient privilege to thwart government efforts to obtain the records of the licensee's patients. Thus, the licensee has, in effect, used the privilege as a means to shield himself from detection, prosecution, and punishment from authorities.

Your Committee believes that the purpose of the physician-patient privilege is to protect the patient against embarrassment and invasion of privacy and to encourage the free disclosure by the patient so as to aid in the effective treatment by the physician. The privilege was never intended to protect a physician from his own wrongdoings.

The bill, while making the physician-patient privilege inapplicable in certain instances, provides for the protection of patients, retaining the confidentiality of identifying data of patients whose records are admitted into evidence.

Your Committee amended the bill by deleting the word "disciplinary" on page 2, line 17, and substituting instead the word "judicial". Your Committee believes that this would cover situations where there is an appeal of the earlier proceeding.

Your Committee believes that the exclusion of the physician-patient privilege should be limited to proceedings in which the competency, medical license, or practice of the physician is at issue. Thus your Committee amended the bill to reflect this intent.

Your Committee further amended the bill by inserting the phrase "of the patients whose records are admitted into evidence" to clarify the words "identifying data".

In recognizing that the physician-patient privilege is a privilege of the patient, your Committee inserted the words "unless waived by the patient" on page 2, line 20.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1801-78, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1801-78, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Baker, Fong and Naito.

SCRep. 823-78 Ecology and Environmental Protection on S.B. No. 320

The purpose of this bill is to amend Chapter 657, part I, Hawaii Revised Statutes, by adding a new section to provide a time limitation within which court action can be brought on any environmental policy or environmental impact statement act.

Your Committee finds that any amendments should be in the limitation of actions section of Chapter 343, to assure that all provisions relating to environmental impact statements are contained in one chapter.

Your Committee has deleted the amendments to chapter 657 and substituted the following

amendments to chapter 343-6:

(1) The time limit under 343-6(a) is reduced from 180 days to 90 days from the time of the agency's decision to carry out or approve the action but remains at 180 days if the action is undertaken without an agency determination.

(2) The time limit under 343-6(b) is reduced from 60 days to 45 days.

(3) The time limit under 343-6(c) is reduced from 60 days to 45 days.

Your Committee on Ecology and Environmental Protection is in accord with the intent and purpose of S.B. No. 320, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 320, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 824-78 Ecology and Environmental Protection on S.B. No. 2436-78

The purpose of this bill is to permit the sale of beverages in containers using pressure sensitive tape to cover the opening of the container.

Your Committee finds that plastic beverage containers have the potential of becoming an unwanted addition to our litter problem, and that placing a mandatory refund value on all plastic beverage containers may remove this potential.

Your Committee has amended the bill by adding, to subsection (b), the requirement of a refund value of not less than 5 cents for all plastic beverage containers.

Your Committee on Ecology and Environmental Protection is in accord with the intent and purpose of S.B. No. 2436-78, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2436-78, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Garcia, Inaba, Naito and K. Yamada.

SCRep. 825-78 Ecology and Environmental Protection on S.B. No. 2464-78

The purpose of this bill is to amend Section 342-42, Hawaii Revised Statutes.

Your Committee finds that the Director of Health has the power to control vehicular noise and to establish other specific areas for control of excessive noise, and therefore, that the statutory authority being sought is already provided for. However, clarification is needed with regard to the definition of a vehicle.

Your Committee has amended this bill to amend Section 342-41, Hawaii Revised Statutes, by adding as subsection 2 a definition of "vehicle" which includes boats and ships.

Your Committee on Ecology and Environmental Protection is in accord with the intent and purpose of S.B. No. 2464-78, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2464-78, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Garcia, Inaba, Naito and K. Yamada.

SCRep. 826-78 Consumer Protection and Commerce and Health on S.B. No. 2220-78

The purpose of this bill is to authorize the State Department of Health to delegate all housing inspection and enforcement functions, including the issuance of permits, to the various counties.

Presently, your Committees find that there is overlapping jurisdiction as between the State and the various counties in certain areas of housing regulation and control

which creates a "duplication of efforts" problem. This bill attempts to remove or reduce this duplication by allowing the State to delegate to the counties its presently required functions in the housing regulation and control area.

Your Committees find that such a delegation would effectively remove or reduce the duplication of efforts in this area and in the interests of promoting governmental efficiency, urge passage of this bill.

Your Committees on Consumer Protection and Commerce and Health are in accord with the intent and purpose of S.B. No. 2220-78 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 827-78 Consumer Protection and Commerce and Judiciary on S.B. No. 518

The purpose of this bill is to authorize the creation of land trusts in which legal and equitable title to real estate is held in trust by a qualified trustee while rights and benefits of ownership are retained by the beneficiary and treated as his personal property.

Under present law, by reason of the common law "statute of uses" and "doctrine of equitable conversion", land trusts are considered invalid because the former invalidates a trust in which the trustee has no duties other than to simply hold title, and the latter prevents a beneficiary's interest in the trust from being considered personal property and makes it impractical for a trustee to convey good title.

This bill would specifically authorize such land trusts by adding a new chapter to the Hawaii Revised Statutes containing the necessary enabling provisions thereto. It allows such trusts to be created, specifies the powers and duties of trustees, and provides for the conditions under which beneficiaries' identities may be disclosed.

Your Committees find that in a land trust the beneficiary retains complete control of the real estate and manages it himself or he may employ agents to manage it for him. He collects and distributes income, he insures, develops, finances and directs the lease or sale of the property as he sees fit. He may terminate the trust at any time or add property to the trust as he wishes. Exclusive and full power in all such matters rests in the beneficiary, while the trustee executes deeds, mortgages and leases and otherwise deals with title only upon written direction of the beneficiary.

Your Committees further find that after title to real estate is held in a land trust, the interest of the beneficiary becomes personal property and he may assign the interest without the formality of executing and acknowledging a deed, and his spouse need not join in the subsequent assignment.

It is your Committees' opinion that a land trust offers the following advantages: (1) limited liability under mortgages and other contracts, (2) simple succession of ownership, (3) protection against risks involved in joint ownership, (4) simplicity in conveyance of title, (5) protection against partition suits, and (6) the right (where a group of owners is not considered an association taxed as a corporation) to deduct depreciation for improvements on the personal income tax returns.

However, your Committees have amended the bill to clarify its beneficiary disclosure provisions by providing that a land trust is invalid unless the recorded conveyance document transferring title to the trustee discloses the name and pro rata interest of each beneficiary in said trust.

Your Committees on Consumer Protection and Commerce and Judiciary are in accord with the intent and purpose of S.B. No. 518, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 518, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 828-78 Consumer Protection and Commerce on S.B. No. 1598-78

The purpose of this bill is to promote energy conservation in the area of gas consumption.

Your Committee finds that a large portion of the gas used by consumers in their gas

appliances can be attributed to consumption by the conventional pilot lights found on such appliances. This bill would promote energy conservation by banning the sale and installation of gas appliances, excluding water heaters, equipped with such pilot lights.

It is your Committee's opinion that technology in this area has sufficiently advanced to render such pilot lights obsolete; that alternatives are available which use less gas and are more efficient. Accordingly, your Committee finds that this bill will effectively promote energy conservation by reducing unnecessary gas consumption.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 1598-78, S.D. 1, H.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 829-78 Consumer Protection and Commerce on S.B. No. 271

The purpose of this bill is to safeguard the public health, safety, and welfare; protect the public from being misled by incompetent, unscrupulous, and unauthorized persons; assure the highest degree of professional conduct on the part of occupational therapists and occupational therapy assistants; and assure the availability of occupational therapy services of high quality to persons in need of such services.

Presently, because occupational therapists and occupational therapy assistants and the practice of occupational therapy are not regulated or otherwise monitored by any governmental agency, there exists a potential for harm to the public. This bill attempts to remove or reduce that potential by creating a Board of Occupational Therapists to examine, license and discipline occupational therapists and occupational therapy assistants.

Your Committee received testimony from the Department of Regulatory Agencies, however, that in its regulatory impact statement, the Occupational Therapists Association of Hawaii failed to demonstrate that a substantial public interest would be served by licensing occupational therapists and occupational therapy assistants. In addition, the statement revealed that private practitioners are virtually nonexistent and it contained no specific examples of abuse or harm to consumers.

Accordingly, your Committee recommends an amendment of the bill for the purpose of deleting the provisions which would create a Board of Occupational Therapists. Your Committee feels that such a Board is unnecessary at this time and that its creation would be contrary to the policies of the recently enacted Sunset Law.

However, your Committee does recognize that the potential for abuse still exists and, in accordance thereto, has further amended the bill to prohibit the practice of occupational therapy by persons other than those who have met the educational and supervised field work requirements for certification by the American Occupational Therapy Association and have passed a national certification examination administered by that organization. In addition thereto, the bill has been amended to authorize the Attorney General or the Office of Consumer Protection to enjoin any violation of such prohibition, and to provide for a fine of not less than \$500 nor more than \$10,000 for each such violation.

Your Committee feels that, as amended, the bill would effectively reduce the potential for abuse to the consuming public, at the same time avoiding the creation of yet another board and licensing scheme.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 271, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 271, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 830-78 Consumer Protection and Commerce on S.B. No. 2581-78

The purpose of this bill is to amend Hawaii's Horizontal Property Regime Law to assure equitable condominium management and governance and to provide for additional protection to prospective condominium purchasers.

The bill attempts to achieve such equitable management and governance and additional protection by amending various sections of chapter 514A of the Hawaii Revised Statutes relating to Horizontal Property Regimes, primarily expanding the minimum contents required of condominium bylaws.

Your Committee feels, however, that this bill exhibits the following shortcomings: (1) it addresses many problems which are internal to condominium management and thus better handled through administrative action of such condominium's board than through legislative mandate; (2) its provisions are overly broad and insufficiently flexible, solving problems for larger condominiums but creating new ones for smaller condominiums; (3) it addresses problems for which judicious use of existing mechanisms provide effective solutions; and (4) it fails to fully take into account the practical difficulties of implementing some of its provisions.

For these reasons, your Committee has amended the bill for the purpose of deleting all of its provisions with the exception of the amendment affecting subsection (12) of section 514A-82 of the Hawaii Revised Statutes. Here also, however, your Committee recommends amending the bill to provide that the first meeting of the association of apartment owners shall be held 180 days after the recordation of the first apartment conveyance, provided that forty per cent or more of the project has been sold and recorded and if the project is not forty per cent or more sold and recorded at the end of one year, an annual meeting must be called if ten per cent of the owners so request.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 2581-78, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2581-78, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Baker, Garcia and Naito.

SCRep. 831-78 Consumer Protection and Commerce on S.B. No. 2480-78

The purpose of this bill is to provide that a no-fault insurer's right of subrogation arises only where a claimant has recovered in tort for the same items of damages previously paid by the insurer.

Under present practices of many no-fault insurers, subrogation is applied to a claimant's tort recovery regardless of whether or not the claimant has been fully compensated therefor. This practice is contrary to the original intent of the legislature to provide fair and equitable compensation for the injured party. Your Committee finds that this bill would allow subrogation only where the same items of damages are recovered once from the no-fault insurer and again from the tortfeasor.

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. Your Committee has amended the bill by making a minor grammatical change to clarify the intent and purpose.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 2480-78, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2480-78, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 832-78 Consumer Protection and Commerce on S.B. No. 2332-78

The purpose of this bill is to clarify the statutory provisions of Hawaii law relating to the mandatory purchase of Hawaii products and to place on the bidder on a government project who intends to use non-Hawaii products in such project the burden of declaring his intentions thereto.

In comparing the selling prices of Hawaii and non-Hawaii products for the purpose of determining whether the purchase of the former is required, present law does not specify what such selling price means or is to include. This bill would specify that selling price is f.o.b. jobsite, unloaded including applicable general excise and use

taxes. Your Committee finds that under present practice, the selling price is considered f.o.b. jobsite including duties, the latter being interpreted to include any applicable general excise and use taxes. Thus, this bill would statutorily incorporate the existing practice.

In addition, present statutes allow selling prices of "similar" non-Hawaii products to be compared with Hawaii products. This bill would provide for "alternate or comparable" instead of "similar" products being compared to Hawaii products. Your Committee is of the opinion, however, that, by amending the law in this manner, more problems would be created in making the comparisons than would be solved. Accordingly, your Committee has amended the bill for the purpose of retaining the comparison of the selling prices of "similar" products.

Finally, current law only requires a government agency to describe Hawaii products which may be used in a public works or repair or maintenance contract. This bill would require a description of both the Hawaii products as well as their corresponding classes. Your Committee feels that the current requirement of describing products only is too restrictive and that more effective promotion of goods produced in state would result from its expansion to include describing corresponding classes of the products.

With respect to placing the burden of declaring his intention to use non-Hawaii products in a government project on the bidder thereto, your Committee finds that under present law the bidder who intends to use Hawaii products is forced to go through much paperwork and red tape in order to receive a credit on the cost of such products on his bid. Your Committee believes that this tends to discourage bidders from using Hawaii products, or at best counteracts the incentive, the credit, to use Hawaii products, contrary to the general intent of the law. This bill would require persons submitting bids based on non-Hawaii, instead of Hawaii, products to specify such products and the values thereof. Your Committee is in agreement with testimony received that this is the more logical and desirable arrangement given the objective of the law to encourage more use of local products.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 2332-78, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2332-78, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 833-78 Consumer Protection and Commerce on S.B. No. 2490-78

The purpose of this bill is to set out a priority for distributions in a liquidation of an insurer and to set out procedures for disbursement of the assets of an insurer following final determination of insolvency and order of liquidation.

Presently, there are no statutory provisions establishing the priority for distributions in a liquidation of an insurer or the procedure for disbursement of the assets of an insurer following final determination of insolvency and order of liquidation. This bill would establish such priority and procedure by providing that claims arising out of and within the coverage of insurance policies issued by an insurer being liquidated be paid prior to claims of general creditors and the Insurance Guaranty Association have immediate access to the funds of the liquidated insurer.

Your Committee finds that policyholders and claimants of the insolvent insurer are entitled to a higher priority than general creditors because the latter, having dealt with the insurer at arms' length on a business basis, are more aware of the risks and are in a better position to handle them.

Your Committee further finds that by allowing the Insurance Guaranty Association immediate access to the funds of the liquidated insurer, distribution of the assets of the insurer to claimants would be expedited.

Your Committee is of the opinion that the provisions of this bill effectively protect the interests of an insurer's numerous policyholders, those who are least able to protect themselves otherwise and who would be the most adversely affected, should such an insurer become insolvent.

Your Committee on Consumer Protection and Commerce is in accord with the intent

and purpose of S.B. No. 2490-78 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 834-78 Consumer Protection and Commerce on S.B. No. 2476-78

The purpose of this bill, as amended, is to allow a person arriving in the State to bring, for private use or consumption and not for resale, a maximum of two cases of beer, not exceeding six gallons, without a license or permit.

The present limit is one gallon or approximately two six-packs.

Your Committee finds that the six gallon, two-case limit provided for in this bill is a reasonable figure, protecting the interests of retail liquor dealers while at the same time accommodating the consuming public interested in bringing in out-of-state beer for personal use.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 2476-78, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 835-78 Consumer Protection and Commerce on S.B. No. 2154-78

The purpose of this bill, as amended, is to exempt an applicant for examination by the Board of Cosmetology, who intends to practice the removal of superfluous hair by the use of an electrical instrument which neither touches nor penetrates the skin, from the requirement that he have 600 hours training in electrolysis.

Presently, an applicant for examination by the Board of Cosmetology who intends to practice the removal of superfluous hair by the use of an electrical instrument which neither touches nor penetrates the skin is required to have at least 600 hours of training in electrolysis. This bill would exempt such an applicant by providing that the removal of hair in such a manner does not constitute the practice of electrolysis.

Your Committee agrees that hair removal by such means does not constitute the practice of electrolysis and finds that requiring the 600 hours of training for such an applicant is unreasonable. Accordingly, your Committee is of the opinion that this bill is an effective means of eliminating the unnecessary training currently being required of such applicants.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 2154-78, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 836-78 Consumer Protection and Commerce on S.B. No. 1931-78

The purpose of this bill is to permit holders of a license to manufacture liquor to sell wine manufactured from grapes or other fruits grown in the State to any person for private use and consumption.

Under present law, a holder of a license to manufacture liquor is not permitted to sell wine manufactured from grapes or other fruits grown in the State. This bill would allow such a manufacturer to sell such wine.

Your Committee finds that it is in the interest of this State to encourage the development of a wine industry and that this bill would so encourage such an industry by allowing a winery to sell wine to visitors through a tasting room, an important prerequisite to making a winery economically viable. Your Committee further finds that inasmuch as the Bureau of Alcohol, Tobacco and Firearms of the Department of Treasury supervises a winery's operation, there should be no additional monitoring required by and no added expense to the State.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 1931-78 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 837-78 Consumer Protection and Commerce on S.B. No. 1894-78

The purpose of this bill is to amend section 159-29(c), Hawaii Revised Statutes, by repealing the provision which exempts caterers and restaurants which operate centralized kitchen facilities from the inspection requirements of the Hawaii Meat Inspection Act.

The provision in question was enacted in 1977 as Act 202. At the hearings held on the original bill, it was the general consensus of those testifying that the provision would not jeopardize Hawaii's Meat Inspection Program. Subsequent to the bill's enactment, the State Department of Agriculture was informed by the U.S. Department of Agriculture that the bill's enactment placed the Hawaii Meat Inspection Program in jeopardy.

Your Committee, after close examination of the provision in question, feels that the repeal of the provision is necessary to safeguard the continuation of Hawaii's Meat Inspection Program.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 1894-78 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 838-78 Consumer Protection and Commerce on S.B. No. 1663-78

The purpose of this bill is to amend section 431-370, Hawaii Revised Statutes, to take into consideration the change of name of the "American College of Life Underwriters, Incorporated" to "The American College".

Your Committee finds that the "American College of Life Underwriters, Incorporated" has changed its name to "The American College" and that section 431-370 which contains a reference to that entity should be amended accordingly.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 1663-78 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 839-78 Consumer Protection and Commerce on S.B. No. 1662-78

The purpose of this bill is to minimize the time applicants for a license to practice veterinary medicine must wait in order to take the examination for such a license.

Presently, the applicable statute requires that the Board of Veterinary Examiners give the examination for a license to practice veterinary medicine in April and September of each year. This bill would delete the reference to those particular months and require only that the Board give the examination twice in each year.

Your Committee received testimony that most veterinary schools graduate their students in December and May. Thus, under present law these graduates have to wait three to four months before they are able to take the examination. Your Committee finds that this creates an unnecessary hardship on these graduates inasmuch as there appears to be no rational basis for requiring that the examination be given in April and September.

Your Committee is of the opinion that requiring only that the Board of Veterinary Examiners give the examination for a license to practice veterinary medicine twice a year gives the Board the requisite flexibility to alleviate any hardship created for recently graduated applicants for such license by enabling the Board to reduce the period of time such applicants are required to wait to take such examination.

Your Committee on Consumer Protection and Commerce is in accord with the intent

and purpose of S.B. No. 1662-78 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 840-78 Consumer Protection and Commerce on S.B. No. 1659-78

The purpose of this bill is to provide for a qualified person to be in charge of a collection agency.

Present law only requires that a person obtain a license prior to acting or advertising as a collection agency. This bill would additionally require that a "principal collector", defined as a person determined by the Collection Agency Board of the Department of Regulatory Agencies to be qualified to assume the responsibility for the operations and activities of a collection agency, be in direct management and control of the proposed collection agency.

Your Committee finds that requiring a qualified person with sufficient experience and/or training to be in charge of the business of a collection agency increases the protection afforded the public against unscrupulous, overzealous or inexperienced collectors.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 1659-78 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 841-78 Consumer Protection and Commerce on S.B. No. 1660-78

The purpose of this bill is to eliminate the U.S. citizenship requirement or declaration of the intention under oath to become a U.S. citizen for individuals seeking to be licensed as a speech pathologist or audiologist.

Your Committee finds that the U.S. citizenship requirement in section 468E-5, Hawaii Revised Statutes, has no bearing on the qualifications of a prospective licensee and recommends that such requirement be eliminated.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 1660-78, S.D. 1, and recommends that it be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 842-78 Consumer Protection and Commerce on S.B. No. 2523-78

The purpose of this bill is to maximize visitor satisfaction by clarifying the relationships between guests and keepers of hotels.

The bill attempts to clarify the relationships between guests and keepers of hotels by repealing existing provisions of the Hawaii Revised Statutes relating thereto, and adding a new chapter containing more comprehensive and expansive provisions relating to the rights, liabilities and responsibilities of keepers of hotels and guests thereof.

While in agreement with the intent and purpose of this bill, your Committee does not feel that repealing existing law is advisable inasmuch as it is your Committee's opinion that such law adequately protects and secures the rights of keepers of hotels and guests of such hotels. In addition, your Committee finds that, with the exception of the provision relating to a guest extending his stay at a hotel, the bill's provisions are either no different from existing law or are couched in terms sufficiently ambiguous so as to contain the potential to create more problems than they would solve.

Accordingly, your Committee has amended the bill for the purpose of retaining the existing provisions of the Hawaii Revised Statutes, sections 507-6 through 507-12, relating to the rights, liabilities and responsibilities of keepers and guests of hotels and of deleting the bill's proposed provisions with the exception of the provision regulating overstaying by hotel guests.

For purposes of clarity, however, your Committee recommends that the provisions to be retained be set aside in a separate chapter. Thus, your Committee, in Section 2 of the bill, has repealed sections 507-6 through 507-12 of the Hawaii Revised Statutes and has reenacted these same seven sections, along with the provision relating to over-staying by hotel guests, as a new chapter in Section 3 of the bill.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 2523-78, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2523-78, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Baker, Garica and Naito.

SCRep. 843-78 Finance on S.B. No. 1597-78

The purpose of this bill is to provide a tax credit to individuals and corporate resident taxpayers who install insulation material for hot water tanks and exposed hot water pipes as an energy conservation incentive.

The credit may be claimed for the cost and installation of the insulation material, not to exceed \$30, against income tax liability for the year in which the insulation material was purchased and installed. The bill is effective for the period after December 31, 1977 to December 31, 1984.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 1597-78, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 844-78 Corrections and Rehabilitation on H.R. No. 419

The purpose of this resolution is to request the Department of Social Services and Housing to undertake a feasibility study relating to establishing private industries within correctional facilities and report its findings to the Legislature prior to the beginning of the 1979 session. This study would be undertaken after that department had held meetings with the representatives of private industries that are interested in establishing industries within prison, with the State Department of Budget and Finance, and with representatives of other private industries and of labor unions.

The representative of the Department of Social Services and Housing testified that, although the department concurs with this resolution, it does not have sufficient staff to complete a study of this magnitude and suggested that funds be provided to hire researchers for the purpose. He indicated the department's willingness to cooperate with and supervise a program to establish private industries within correctional facilities.

Testimony favoring the resolution was given by the representative of the John Howard Association, who cited the advantages that have accrued from a program of computer programming training and work experience conducted in Massachusetts by the Honeywell Corporation. This program has given prison inmates there valuable work experience and in some cases new careers -- for example, a service bureau business known as Con'puter System Programming run by eight inmates of the Massachusetts minimum security prison at Framingham.

In testimony favoring the resolution given by a volunteer counselor at the Hawaii State Prison, it was suggested that, before this feasibility study is made, input for it also be sought from organizations knowledgeable in the corrections field such as the John Howard Association and other community organizations, from the general business community, from the Community College system, and any other pertinent agencies.

Your committee has amended this resolution to provide for such additional input to the study by rewording the seventh paragraph to read thus: "(3) meet with representatives of other private businesses in order to generate future interest in such a program, with representatives of labor unions which have an interest in the industries that might be established in order to determine their attitudes toward such a program, with representatives of organizations knowledgeable in the correctional field such as the John Howard Association and other community organizations, with representatives of the Community

College system and any other pertinent agencies;"

Your Committee on Corrections and Rehabilitation concurs with the intent and purpose of H.R. No. 419, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. 419, H.D. 1.

Signed by all members of the Committee except Representative Baker.

SCRep. 845-78 Corrections and Rehabilitation on H.R. No. 431

The purpose of this resolution is to request the State Commission on Mental Health and Criminal Justice to review the present system of referring inmates from the corrections system and the courts, who require treatment for mental disorders, to the Hawaii State Hospital for treatment. Upon completion of this review, the commission would report back to the Legislature prior to the beginning of the 1979 session.

Your committee feels that there is reason for concern that the capacity of the Hawaii State Hospital may be overburdened by the referral of prison inmates and also that the potential exists for possibly dangerous situations when inmate patients are treated at the same facility as civilly committed and voluntary patients at the hospital. It has been suggested that inmates be treated in psychiatric facilities within the corrections system itself or in a proposed third facility.

Testimony presented by the Department of Social Services and Housing favored review by the State Commission on Mental Health and Criminal Justice. Testimony by a representative of the commission stated its support for this resolution and its willingness to undertake the proposed review within the given time constraints.

Your Committee on Corrections and Rehabilitation concurs with the intent and purpose of H.R. No. 431 and recommends that it be referred to the Committee on Health.

Signed by all members of the Committee except Representative Baker.

SCRep. 846-78 Consumer Protection and Commerce and Public Assistance and Human Services on H.R. No. 421

The purpose of this resolution is to request the Legislative Auditor to conduct a feasibility study of the State self-insuring its public assistance drivers under the Hawaii Motor Vehicle Accident Reparation Law.

Under present law, public assistance drivers are given free no-fault insurance coverage with premiums from commercial vehicles subsidizing such free insurance or in the event of a deficiency, all motor vehicle insurers in the Hawaii Joint Underwriting Plan (HJUP) being assessed to make up such deficiency. However, primarily because the premiums from commercial vehicles have not adequately offset the free coverage for public assistance drivers, HJUP insurers have been assessed millions of dollars to keep the plan solvent.

Your Committees find that unless something is done, such assessments of HJUP insurers will continue to grow and will ultimately lead to higher rates being charged the insured public and possible withdrawal of insurance companies from, and disincentives for new companies to do business in, Hawaii. Thus, your Committees find that a study such as the one requested in this resolution is not only desirable, but essential.

However, your Committees feel that the study should not be limited to the possibility of the State acting as a "self-insurer", but should also consider alternatives such as:

- (1) Establishing an additional allowance to the flat grant payment allowing public assistance recipients to acquire their own motor vehicle insurance;
- (2) Instituting a claims services contract, or group insurance approach, for coverage of public assistance recipients;
- (3) Retaining the present system and providing for a tax credit or premium tax reduction for those companies participating in the HJUP; and
- (4) Discontinue insurance coverage for public assistance recipients.

Accordingly, your Committees have amended the resolution to expand its purpose to

include requesting the Legislative Auditor to consider other alternatives to the present means of insuring public assistance drivers, besides the State acting as a self-insurer, and to include the hereinabove enumerated alternatives as possible alternatives to be so considered. In addition, your Committees have amended the title of this resolution to reflect its broader purpose.

Your Committees on Consumer Protection and Commerce and Public Assistance and Human Services are in accord with the intent and purpose of H.R. No. 421, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 421, H.D. 1.

Signed by all members of the Committees except Representative Baker.

SCRep. 847-78 Consumer Protection and Commerce and Public Assistance and
Human Services on H.C.R. No. 86

The purpose of this concurrent resolution is to request the Legislative Auditor to conduct a feasibility study of the State self-insuring its public assistance drivers under the Hawaii Motor Vehicle Accident Reparation Law.

Under present law, public assistance drivers are given free no-fault insurance coverage with premiums from commercial vehicles subsidizing such free insurance or in the event of a deficiency, all motor vehicle insurers in the Hawaii Joint Underwriting Plan (HJUP) being assessed to make up such deficiency. However, primarily because the premiums from commercial vehicles have not adequately offset the free coverage for public assistance drivers, HJUP insurers have been assessed millions of dollars to keep the plan solvent.

Your Committees find that unless something is done, such assessments of HJUP insurers will continue to grow and will ultimately lead to higher rates being charged the insured public and possible withdrawal of insurance companies from, and disincentives for new companies to do business in, Hawaii. Thus, your Committees find that a study such as the one requested in this concurrent resolution is not only desirable, but essential.

However, your Committees feel that the study should not be limited to the possibility of the State acting as a "self-insurer", but should also consider alternatives such as:

- (1) Establishing an additional allowance to the flat grant payment allowing public assistance recipients to acquire their own motor vehicle insurance;
- (2) Instituting a claims services contract, or group insurance approach, for coverage of public assistance recipients;
- (3) Retaining the present system and providing for a tax credit or premium tax reduction for those companies participating in the HJUP; and
- (4) Discontinue insurance coverage for public assistance recipients.

Accordingly, your Committees have amended the concurrent resolution to expand its purpose to include requesting the Legislative Auditor to consider other alternatives to the present means of insuring public assistance drivers, besides the State acting as a self-insurer, and to include the hereinabove enumerated alternatives as possible alternatives to be so considered. In addition, your Committees have amended the title of this concurrent resolution to reflect its broader purpose.

Your Committees on Consumer Protection and Commerce and Public Assistance and Human Services are in accord with the intent and purpose of H.C.R. No. 86, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 86, H.D. 1.

Signed by all members of the Committees except Representative Baker.

SCRep. 848-78 Consumer Protection and Commerce on H.R. No. 66

The purpose of this resolution is to request the office of the Legislative Auditor to conduct an audit of the operation of the Real Estate Commission (1) to determine whether the Commission is providing efficient service to the real estate industry and to the public; (2) to determine whether program operations can be improved through better utilization of

resources or whether additional resources are needed; and (3) to determine whether establishing a real estate division within the Department of Regulatory Agencies is feasible.

Your Committee has found that due to the population and economic growth in the State, the increase in the number of real estate licensees, and the increase in the amount of real estate activity, the Commission's workload borders on being unmanageable. Additionally, the Commission appears grossly understaffed and underfunded to effectively handle the increasing responsibilities created by expanded real estate programs and operations. In view of the critical situation confronting the commission, your Committee strongly feels that an audit is necessary to determine the Commission's ability to fulfill its statutory mandates.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of H.R. No. 66 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representative Baker.

SCRep. 849-78 Consumer Protection and Commerce on H.R. No. 269

The purpose of this resolution is to request Hawaii's congressional delegation and the Federal Internal Revenue Service to work for the immediate repeal of the federal excise tax on telephone service.

Your Committee finds that the federal excise tax on telephone service, while scheduled to terminate after 1981, is in effect a permanent tax given the substantial revenues it generates and the fact that it was enacted and continually extended since 1932.

Thus, your Committee feels that notwithstanding the 1981 termination date, immediate action is required to repeal the tax inasmuch as the regressivity of any excise or sales tax, the perpetually espoused platform of tax reform, and the philosophy of reduced taxes for the stimulation of the economy provide sufficient grounds thereto.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.R. No. 269 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Baker.

SCRep. 850-78 Consumer Protection and Commerce on H.C.R. No. 53

The purpose of this concurrent resolution is to request the Legislative Auditor to review and recommend changes to Chapter 269, Hawaii Revised Statutes, Public Utilities Commission.

Your Committee finds that during the recent evidentiary hearing on the rate increase application of the Kauai Electric Division of Citizens Utilities Company, differences arose between the Public Utilities Division (PUD) and Citizens Utilities Company as to whether or not all relevant records were supplied to the PUD staff. This difficulty arose due to the fact that Citizens Utilities Company operates divisions within many states and in order to review the expenses allocated to the Kauai Electric Division in its rate base, the PUD would be required to review the total operation of Citizens Utilities Company to determine if the allocation or capitalization was proper.

Additionally, your Committee finds that Citizens Utilities Company makes reports to various federal agencies on a consolidated basis with savings or credits accruing to the consolidated company. The PUD had difficulty in determining whether or not the proper amount of savings or credits was being allocated back to the Kauai Electric Division of Citizens Utilities Company.

Your Committee heard testimony that, notably, other jurisdictions such as the Alaska Public Utilities Commission have required the parent corporation of a utility to provide all of the information on the various subsidiaries so that a proper determination could be made as to the reasonableness of the applications of the utility companies operating within their jurisdictions.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.C.R. No. 53 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Baker.

SCRep. 851-78 Consumer Protection and Commerce on H.C.R. No. 81

The purpose of this concurrent resolution is to request the State Bank Examiner to study the electronic fund transfer systems in Hawaii. This study would include: (1) the need for regulation or promotion of competition and of business practices among the financial institutions engaged in electronic fund transfers; (2) the need to prevent unfair or discriminatory practices by such institutions and to promote maximum consumer use while maintaining consumer convenience, privacy, and security; and (3) the need to protect the legal rights and to clarify the legal duties of the institutions and its customers.

Your Committee finds that there is a great need for such study given the tremendous increase in the use of such fund transfers and the potential for abuse and has learned that the concurrent resolution has the support of Hawaiian Telephone Company and the Hawaii League of Savings Associations.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.C.R. No. 81 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Baker.

SCRep. 852-78 Consumer Protection and Commerce on H.R. No. 379

The purpose of this resolution is to request the State Bank Examiner to study the electronic fund transfer systems in Hawaii. This study would include: (1) the need for regulation or promotion of competition and of business practices among the financial institutions engaged in electronic fund transfers; (2) the need to prevent unfair or discriminatory practices by such institutions and to promote maximum consumer use while maintaining consumer convenience, privacy, and security; and (3) the need to protect the legal rights and to clarify the legal duties of the institutions and its customers.

Your Committee finds that there is a great need for such study given the tremendous increase in the use of such fund transfers and the potential for abuse and has learned that the resolution has the support of Hawaiian Telephone Company and the Hawaii League of Savings Associations.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.R. No. 379 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Baker.

SCRep. 853-78 Corrections and Rehabilitation on H.C.R. No. 101

The purpose of this concurrent resolution is to request that an independent Task Force, to be appointed by a selection committee consisting of the Dean and Professors of Constitutional and Criminal Law at the University of Hawaii School of Law, perform a complete re-evaluation of the philosophy and implementation of the Hawaii Correctional Master Plan and its relation to the current needs of Hawaii's people and their criminal justice system. This re-evaluation shall include a study of such relevant areas as the inequities between correctional programs for men and women in terms of alternatives to incarceration, facilities, and variety of programs and services available to both; the overcrowding of correctional facilities with respect both to the present and future; work release and work furlough programs; the number and quality of educational and vocational programs available to inmates, and any other areas which the Task Force deems important.

It is believed that this re-evaluation of the Hawaii Correctional Master Plan is necessary because its major goals of rehabilitating offenders and reintegrating them into society through such alternatives to incarceration as work release programs and residential facilities within the community are not being met at present. Expansion of existing educational and vocational programs within correctional institutions appears to be necessary to enable inmates to gain work experience and vocational skills at the same time that they earn money to help support their families and possibly make restitution to the victims of their crimes.

This concurrent resolution provides for Corrections Division Administrators and staff, State Legislators experienced in the correctional field, inmates, and members of the University of Hawaii School of Law Selection Committee charged with appointing the Task Force to serve in an advisory capacity to that body.

A major purpose of the appointed Task Force will be to study how existing correctional programs can be improved with respect to coordination and consistency of policies, purposes, and implementation. At present, coordination and consistency are lacking due to the large number of government agencies involved in the correctional system.

Your Committee on Corrections and Rehabilitation concurs with the intent and purpose of H.C.R. No. 101 and recommends that it be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representative Baker.

SCRep. 854-78 Finance on S.B. No. 71

The purpose of this bill is to recodify and restructure the laws of the State relating to housing projects by eliminating unnecessary and obsolete provisions and revising other provisions in need of clarification. New provisions to accomplish this general purpose are also added by this bill.

A summary contents of the revision (with references to pages of the bill) is as follows:

Section 356-1. Language changes exclude reference to "low income". Page 2.

Section 356-2. Definitions are updated. Page 3.

Section 356-5. General provisions governing the establishment of the Hawaii housing authority, its organization and staff are rewritten. Page 4.

Section 356-10. The general powers of the authority are revised. Page 11.

Section 356-11. The provisions as to the acquisition, use and disposition of property are recompiled in this section. Page 12.

Section 356-12. This section revises and clarifies the cooperative agreements that the authority may make with other governmental agencies. Page 14.

Section 356-13. The investigatory powers of the authority are spelled out. Page 19.

Section 356-14. Agents of the authority, including corporations are generally governed by this section. Page 20.

Section 356-18. This section revises the provisions relating to the power of eminent domain with regard to housing projects. Page 24.

Section 356-20. Zoning and building laws are to be observed. Page 26.

Section 356-21. Contracts with the federal government. Page 27.

Section 356-22. Public works contracts. Page 30.

Section 356-27. Authorization as to bond issues. Page 31.

Section 356-28. Status of bonds. Page 32.

Section 356-24. Remedies of an obligee. Page 33.

Section 356-25. Subordination of mortgages. Page 35.

Section 356-31. Investment of reserves. Page 38.

Section 356-32. Security for funds deposited by the authority. Page 38.

Section 356-6. Housing information system. Page 39.

Section 356-7. Allows the authority to conduct housing research. Page 40.

Section 356-8. Provides for housing counseling. Page 42.

Section 356-15. Recompilation of provisions governing the development of property. Page 43.

Chapters 357 and 358 are completely repealed by the bill.

Your Committee is in general agreement with the intent of this bill and this effort to bring the housing laws up to date meets with your Committee's approval.

Your Committee recommends that this bill be amended by deleting Section 9 which seeks to limit the cash contribution required of subdividers, in lieu of the dedication of land for park and playground space. Subsequent sections are accordingly renumbered.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 71, S.D. 3, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 71, S.D. 3, H.D. 2.

Signed by all members of the Committee.

SCRep. 855-78 Finance on S.B. No. 893

The purpose of this bill is to provide for a system of state pilotage in order (1) to provide maximum safety for vessels navigating in state waters; and (2) to maintain a state pilotage system of the highest standard of efficiency; and (3) to insure an adequate supply of qualified pilots for the discharge of their duties in aid of commerce and navigation.

Your Committee finds that the present system, under which the pilots are civil servants, subject to civil service regulations, has proved awkward in practice and does not utilize the highly trained pilots effectively.

This bill establishes a state pilotage system in Hawaii, utilizing state licensed pilots to provide pilotage services as private contractors, regulated by the State through a Board of Pilot Commissioners. This would establish a pilotage service in Hawaii prots similar to the services being provided in ports of all the other coastal states of the United States and on the Great Lakes.

Your Committee has amended this bill to require that the pilot association maintain liability insurance coverage for acts or omissions of an associaiton pilot and to clarify the department of transportation's responsibility for the safety of all parts and shore waters in the state.

Your Committee has made various other technical and stylistic changes, and has amended the effective date to be July 1, 1978.

Your Committee on Finance is in accord with the intent and purpose of S.B. No. 893, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 893, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 856-78 Consumer Protection and Commerce on S.B. No. 2148-78

The purposes of this bill are: (a) to provide a means in special situations to resolve a deadlock in voting by directors of a corporation, (b) to permit the appropriate circuit court to appoint directors in certain situations, such as where a corporation has not issued shares and all the directors resign, die or become incompetent, upon petition of a creditor of a corporation or of the personal representative of a deceased director or of the guardian or conservator of an incompetent director, (c) to reduce the minimum number of directors that a corporation must have, (d) to reduce the number of persons required to execute the articles of incorporation, (e) to reduce the number of officers a corporation must have, and (f) to permit any stockholder or member to file an application to the appropriate circuit court for a meeting of the corporation under special circumstances.

Your Committee, however, has deleted all the provisions of this bill and has inserted, in lieu thereof, a new provision designed to insure that local subscribers of a telephone public utility's service do not have to pay rates in excess of what they normally would due to such company being allowed unreasonably high profits.

Under present law, the Public Utilities Commission (PUC) has determined that it can prescribe the rates that a telephone public utility company can charge for local service, taking into consideration only its intrastate (local) operations. Thus, notwithstanding high profits being generated by such a utility's interstate operation, and its overall profitability the utility may be allowed to increase its local rates because in considering an application

therefor, the PUC would in effect ignore the high profits the utility is otherwise making and consider only the marginal return it is receiving on its intrastate operation.

This bill, as amended, would require the PUC to give appropriate consideration to a telephone utility's overall profitability in determining the rates it will allow such utility to charge its ratepayers. It would, however, exempt from its provisions, a telephone public utility which has a "separations" procedure approved by the Federal Communications Commission and the PUC in which the relative profitability of its inter- and intrastate telephone operations has been determined.

Your Committee finds that this bill, as amended, would effectively ensure that ratepayers would not be forced to pay excessive charges for local telephone service because, in your Committee's opinion, it would prevent the incongruous situation where an analysis of a telephone utility's intrastate operation in isolation might indicate that a rate increase is justified when in fact the utility is experiencing unreasonably high profits overall due to the success of its interstate operations. It is the further finding of your Committee that requiring the PUC to consider a telephone utility's overall profitability would also prevent the equally incongruous situation where such a utility is allowed to argue against a reduction in its interstate rates on the grounds that high profits generated therein allow it to keep local rates down while simultaneously arguing that such high profits should be ignored in establishing local rates.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 2148-78, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2148-78, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 857-78 Public Employment and Government Operations and Judiciary on
S.B. No. 1820-78

The purpose of this bill is to amend provisions in the Hawaii ethics code, Chapter 84, Hawaii Revised Statutes, relating to the definition of "financial interest" under Section 84-3(6); Hawaii Revised Statutes, and relating to activities of members of boards and commissions, and contract relations between a State agency and a legislator, employee or a member of a board, commission, or committee.

Your Committees have made the following amendments:

- (a) Section 1 of the bill, amending Section 84-3, Hawaii Revised Statutes, has been amended for greater clarity and so that the definition of "financial interest", Section 84-3(6), Hawaii Revised Statutes, will include interests held by any dependent and not just dependent children.
- (b) Section 3 of the bill, amending Section 84-15, Hawaii Revised Statutes, has been amended for clarity and to require under Section 84-15(a), Hawaii Revised Statutes, that written justification of contracts in excess of \$1,000 be filed with the State Ethics Commission and be made a part of the public record.

Section 3 of the bill has been further amended by the deletion of Section 84-15(c), because your Committees believe that the section should apply to all contracts in excess of \$1,000.

- (c) Section 4 of the bill, amending Section 84-17, Hawaii Revised Statutes, has been amended as follows:

Section 84-17(b)(1), has been amended to include delegates to the Constitutional Convention among those required to file financial disclosure statements.

Section 84-17(b)(3), has been amended to include the employees of the legislature and its service agencies, other than clerks, secretaries and similar employees, among those required to file financial disclosure statements. It is intended that attorneys, administrative aides and committee clerks be among those employees required to file.

Section 84-17(c), has been amended so that delegates to the Constitutional Convention will have the same filing period as other officials and employees.

Section 84-17(e) (4), has been amended by deleting the provision which provides that fully secured debts to any federal or state regulated financial institution need not be disclosed.

Section 84-17(g), has been amended so that all financial disclosure statements shall be public records and available for inspection.

- (d) The bill has been further amended by the addition of a new section, Section 5, which requires the State Ethics Commission to maintain a list of persons who examine the disclosure statements.
- (e) The bill has been amended by the insertion of a new section, Section 6, which requires the counties to substantially conform with the State ethics code as to financial disclosure requirements through the amendment of Chapter 46, Hawaii Revised Statutes.
- (f) The bill has been further amended by the addition of a severability clause to be numbered Section 7;
- (g) The bill has been amended for clarity and consistency by changing the existing Sections 5 and 6 of the bill to Sections 8 and 9, respectively.

Your Committees on Public Employment and Government Operations and Judiciary are in accord with the intent and purpose of S.B. No. 1820-78, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1820-78, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees.

SCRep. 858-78 Public Employment and Government Operations on S.B. No. 1654-78

The purpose of this bill is to amend the statutory provisions relating to certification of a list of eligibles for filling of a civil service vacancy.

First, this bill proposes a method of applying veterans preference points which would allow non-veterans to compete more equitably with veterans in being certified on a list of eligibles. Under this proposal, after rating all applicants, both veteran and non-veteran according to examination scores, the Department of Personnel Services would identify the top five eligibles to be certified. Applicable veterans preference points would then be added to the examination scores of all veteran applicants, and any veteran whose examination score becomes equal to or exceeds the exam score of the fifth eligible certified would also be certified in addition to the original top five eligibles.

Testimony received by your Committee indicated that this method of applying the veterans preference is in accord with the merit principles of selection in that it allows all qualified applicants to compete more fairly for a vacancy. Moreover, testimony revealed that this amendment will not deny a veteran his rights, yet it will do much to further equal employment opportunity objectives.

This bill proposes further, to give higher priority to involuntarily laid-off regular employees in the filling of a civil service vacancy through the establishment of a "recall list". Under the current statute, the Director of Personnel Services compiles a list of eligibles by certifying qualified applicants from the following lists and in the following order: first the promotional lists; second the reemployment lists; and third the open-competitive lists. Presently, regular employees who are involuntarily laid-off are placed on reemployment lists along with employees who were voluntarily terminated or demoted, or who voluntarily accepted a demotion because of a reduction in force, or whose position was reallocated to a class at a lower salary range, or whose current classification was repriced downward. Under this bill, the involuntarily laid-off employee would be placed on a separate "recall list" and would be given priority in the certification of the eligible list after the certification of names from the promotional lists. The intent of these provisions is to give greater consideration for reemployment to those employees who were involuntarily laid-off for reasons beyond their control, i.e., lack of work or lack of funds.

Your Committee has amended this bill by amending Section 76-25 Reemployment lists, to conform with the provisions of the bill relating to involuntarily laid-off employees. The amendment provides that whenever a regular employee has been laid-off because his position has been abolished due to lack of work or funds or because he was displaced

by another employee because of reduction in force, the employee shall have the right to have his name placed on appropriate "recall lists".

Your Committee on Public Employment and Government Operations is in accord with the intent and purpose of S.B. No. 1654-78, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1654-78, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Abercrombie, Mizuguchi, Takamine and Takamura.

SCRep. 859-78 Judiciary on S.B. No. 2622-78

The purpose of this 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 Chapter 621C and when duly directed to testify, may be held in contempt of court. The bill also provides for mandatory sentencing for criminal contempt of court in certain instances.

Your Committee heard testimony from the Office of the Attorney General indicating that when witnesses are duly directed by the court to testify, the intentional refusal of such directive should be punishable as criminal contempt of court. It is your Committee's intent that the court's direction shall not violate the individual's privilege against self-incrimination, and that the courts will continue to protect all individual rights and privileges.

Your Committee believes that criminal contempt of court should not be punishable by the invoking of mandatory sentencing. Thus, your Committee accordingly amended the bill by deleting Section 2 in its entirety and line 6 through line 8 on page 3, after the word "misdemeanor." The sections were also renumbered to comply with the amendment.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 2622-78, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2622-78, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Baker, Cobb, Naito and Uechi.

SCRep. 860-78 Judiciary on S.B. No. 1691-78

The purpose of this bill is to provide for notification of victims of criminal acts, who report the crime to police, of the benefits available under the Criminal Injuries Compensation Act. Under present law, court, service center or agency personnel are supposed to provide such notice. However, such personnel often do not have any contact with victims of crime. Police Department personnel often are the only ones in contact with victims.

Your Committee finds that this bill will facilitate fulfillment of the original intent of the Criminal Injuries Compensation Act to compensate victims of criminal acts.

Your Committee amended the bill to provide that the counties or their employees shall not be liable in the event they fail to give the required notice because your Committee believes that it would not be appropriate for liability to attach in such cases.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1691-78, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1691-78, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Baker, Fong and Naito.

SCRep. 861-78 Legislative Management

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.

Signed by all members of the Committee.

SCRep. 862-78 Agriculture and Higher Education on H.R. No. 466

The purpose of this resolution is to urge Hawaii's congressional delegation to support the State's efforts to have the United States Department of Agriculture establish and operate a mass rearing laboratory to eradicate the three species of fruit flies from Hawaii.

Your Committees find that the mass rearing fruit fly laboratory at the University of Hawaii, a cooperative effort between the United States Department of Agriculture and the College of Tropical Agriculture, is grossly inadequate with respect to the production of specimen flies for "eradication purposes". The inadequacy stems from the fact that "eradication operations" require the production of a minimum of 300 million specimen flies a week, while the production capability is presently limited to a maximum of 30 million specimen flies a week.

Testimonies received by our Committees during a public hearing held on March 18, 1978, unanimously supported adoption of the resolution.

Your Committees on Agriculture and Higher Education concur with the intent and purpose of H.R. No. 466 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Abercrombie, Campbell, Machida, Toguchi, Carroll and Fong.

SCRep. 863-78 Agriculture and Higher Education on H.C.R. No. 93

The purpose of this concurrent resolution is to urge Hawaii's congressional delegation to support the State's efforts to have the United States Department of Agriculture establish and operate a mass rearing laboratory to eradicate the three species of fruit flies from Hawaii.

Your Committees find that the mass rearing fruit fly laboratory at the University of Hawaii, a cooperative effort between the United States Department of Agriculture and the College of Tropical Agriculture, is grossly inadequate with respect to the production of specimen flies for "eradication purposes". The inadequacy stems from the fact that "eradication operations" require the production of a minimum of 300 million specimen flies a week, while the production capability is presently limited to a maximum of 30 million specimen flies a week.

Testimonies received by our Committees during a public hearing held on March 18, 1978, unanimously supported adoption of the concurrent resolution.

Your Committees on Agriculture and Higher Education concur with the intent and purpose of H.C.R. No. 93 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Abercrombie, Campbell, Machida, Toguchi, Carroll and Fong.

SCRep. 864-78 Consumer Protection and Commerce on S.B. No. 1658-78

The purpose of this bill, as amended, is to (1) ensure that no-fault benefits paid to surviving spouses and dependents are not reduced on account of social security or workers' compensation benefits received, (2) disqualify the owner or registrant of an insured motor vehicle from receiving benefits through the assigned claims program of the joint underwriting plan of the Hawaii no-fault law, and (3) allow the plan or any insurer to whom such a claim is assigned, a right of subrogation to the rights of the claimant.

Present law provides that no-fault benefits are to be paid secondarily and net of any benefits a person is entitled to receive from social security or workers' compensation laws. This bill would ensure that benefits paid surviving spouses and dependents are not reduced on account of benefits obtained under the social security and workers' compensation laws by providing that the present law is not applicable to such persons.

Your Committee finds that surviving spouses and dependents are entitled to no-fault benefits notwithstanding any benefits they receive from social security and workers' compensation, and is of the opinion that this bill effectively ensures that they will.

With respect to the assigned claims program of the joint underwriting plan, under the

present law, an owner or registrant of an uninsured motor vehicle is disqualified from receiving benefits through such plan. However, the owner or registrant of an insured motor vehicle who specifically declines in writing the optional uninsured motorist coverage may technically be eligible to receive such benefits. Similarly, an owner or registrant of an insured motor vehicle who fails to purchase first party collision coverage may also qualify for property damage recovery through the assigned claims program.

Your Committee finds that such an incongruous result was not the intent behind the establishment of the assigned claims program. The program was designed to provide an avenue of last resort for innocent, injured parties who have no appropriate no-fault policies available; it was not designed to cover insured individuals who declined to purchase appropriate first party protection available to them.

Your Committee is in agreement that the owner or registrant of an insured motor vehicle be disqualified from receiving benefits through the assigned claims program of the joint underwriting plan.

With respect to the subrogation rights of the joint underwriting plan or any insurer to whom a claim for benefits from the assigned claims program has been assigned, your Committee finds that by providing for the right of subrogation, some of the cost burden currently being absorbed by the plan, inasmuch as there are no premiums being collected therefor, would be alleviated, some sanction would be created against the uninsured motorist, and compulsory insurance enforcement activities would be aided by making it as uneconomical as possible for any uninsured motorist. Your Committee, therefore, is in agreement that the joint underwriting plan on such insurers be subrogated to the rights of the claimant.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.B. No. 1658-78, S.D. 2, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 865-78 State General Planning on H.R. No. 437

The purpose of this resolution is to request the Department of Planning and Economic Development (DPED) and the Department of Budget and Finance to jointly study, propose, and if possible, implement a state economic planning system as a part of the overall Hawaii State Management Information System (HSMIS). A progress report of the subsystem's implementation is to be submitted to the Legislature at least twenty days prior to the convening of the 1979 Regular Session.

Testimony presented before your Committee by the DPED was in support of this resolution. According to the DPED, there is a need for the standardization of definitions, greater coordination, and elimination of duplication in the collection and processing of data used by various public and private agencies. An economic planning system could be designed eventually to incorporate data in a uniform method from many sources, including state departments, county agencies, the federal government, and the private sector. The comprehensive data base could then be used to monitor current economic conditions and forecast future needs.

Your Committee finds that an effective data-gathering and monitoring system could be used to ensure that the State is proceeding in the right direction in achieving State Plan objectives and policies, in reassessing the State's actions, and in anticipating the State's needs.

Your Committee on State General Planning concurs with the intent and purpose of H.R. No. 437 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 866-78 State General Planning on H.C.R. No. 88

The purpose of this concurrent resolution is to request the Department of Planning and Economic Development (DPED) and the Department of Budget and Finance to jointly study, propose, and if possible, implement a state economic planning system as a part of the overall Hawaii State Management Information System (HSMIS). A progress report

of the subsystem's implementation is to be submitted to the Legislature at least twenty days prior to the convening of the 1979 Regular Session.

Testimony presented before your Committee by the DPED was in support of this concurrent resolution. According to the DPED, there is a need for the standardization of definitions, greater coordination and elimination of duplication in the collection and processing of data used by various public and private agencies. An economic planning system could be designed eventually to incorporate data in a uniform method from many sources, including state departments, county agencies, the federal government, and the private sector. The comprehensive data base could then be used to monitor current economic conditions and forecast future needs.

Your Committee finds that an effective data-gathering and monitoring system could be used to ensure that the State is proceeding in the right direction in achieving State Plan objectives and policies, in reassessing the State's actions, and in anticipating the State's needs.

Your Committee on State General Planning concurs with the intent and purpose of H.C.R. No. 88 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 867-78 Legislative Management

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.

Signed by all members of the Committee.

SCRep. 868-78 Consumer Protection and Commerce and Culture and the Arts on
H.R. No. 458

The purpose of this resolution is to request the House Committee on Culture and the Arts with the assistance of the Legislative Reference Bureau, to conduct an interim investigation into the sale and the possible regulation of sales of Hawaiian artifacts.

Evidence indicates that there is a growing interest in geneological and archaeological history. Concomitant with this rise in the public interest, has been an awareness of the value and worth of articles of historical fact i.e., artifacts.

The demand for these artifacts has, in some instances, resulted in the despoilment and desecration of some historic sites. In other instances, consumers or buyers and collectors of artifacts have been victims of fraud and misrepresentation because of an items' worthlessness or doubtful origin.

The State's Historic Preservation Program as defined in Chapter 6E of the Hawaii Revised Statutes, contains no provisions for determining the origin, ownership or authenticity of historic property which includes objects or artifacts. Nor are there provisions for regulating the sale or exchange of these artifacts.

In view of the State's commitment to an active program of historic preservation and of the rising public interest in the purchase and exchange of artifacts or objects of history, your Committees believe that careful study is needed to ensure and protect the rights of all parties involved. This includes the right and responsibility of the State to protect and preserve the remnants of our people's heritage for future generations.

Your Committees on Consumer Protection and Commerce and Culture and the Arts concur with the intent and purpose of H.R. No. 45, and recommend that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee.

SCRep. 869-78 Water, Land Use, Development and Hawaiian Homes and Culture
and the Arts on H.R. No. 373

The purpose of this resolution is to request that the Chairman of the Board of Land and Natural Resources initiate an exchange of state land for 23.6 acres of oceanfront property at Mahaiula, Hawaii.

Mahaiula is fronted on the oceanside with a beautiful white sand beach which would lend to the development of the acreage as a public recreation area. Also, an archaeological survey conducted in 1930 identified a number of sites of historic interest, including Hawaiian dwelling units, animal enclosures, game sites, walled pools and a fishing heiau on the beach, and also identified a number of petroglyphs in the area surrounding Mahaiula.

Your Committees feel the acquisition of the 23.6 acres of Mahaiula would serve the interest of the citizens of Hawaii by allowing the development of a public recreation area and the preservation of several historic sites.

Your Committees on Water, Land Use, Development and Hawaiian Homes, and Culture and Arts concur with the intent and purpose of H.R. No. 373 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committees.

SCRep. 870-78 Water, Land Use, Development and Hawaiian Homes on H.R. No. 397

The purpose of this Resolution is to request that a study of the available water resources and facilities in the Hakalau area, South Hilo, Island of Hawaii, be conducted by the Department of Land and Natural Resources and the Department of Water Supply of the County of Hawaii.

The residents and small farmers in the Hakalau area presently depend on the Mauna Kea Sugar Company water system, which will be phased out as Hakalau Village is closed down. A replacement for this water system may eventually be required to ensure reliable water services to people in this area, and a study to assess the available water resources and facilities in the area may expedite completion of that system should it become necessary.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 397 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 871-78 Agriculture on H.R. No. 467

The purpose of this resolution is to request Hawaii's congressional delegation to introduce and actively support passage of legislation to insure adequate compliance with federally mandated pre-departure inspection requirements at neighbor island airports in the State of Hawaii.

Your Committee finds that the United States Department of Agriculture is the agency responsible for the agriculture related pre-departure inspection requirements for aircraft destined for airports located within the continental United States. Your Committee further finds that because of inadequate federal funding for USDA personnel and inspection programs at the various airports on the neighbor islands, the State of Hawaii has been expending State funds to assure compliance with USDA requirements. Your Committee further finds that experience to date has clearly documented the feasibility of effectively detecting and controlling the various target pests through existing luggage inspection and closely allied procedures.

Testimony presented at a public hearing by the Hawaii State Departments of Transportation and Agriculture and the Hawaii Farm Bureau Federation strongly supported adoption of the resolution.

Your Committee on Agriculture concurs with the intent and purpose of H.R. No. 467 and recommends its adoption.

Signed by all members of the Committee except Representative Fong.

SCRep. 872-78 Agriculture on H.C.R. No. 92

The purpose of this concurrent resolution is to request Hawaii's congressional delegation to introduce and actively support passage of legislation to insure adequate compliance with federally mandated pre-departure inspection requirements at neighbor island airports in the State of Hawaii.

Your Committee finds that the United States Department of Agriculture is the agency responsible for the agriculture related pre-departure inspection requirements for aircraft destined for airports located within the continental United States. Your Committee further finds that because of inadequate federal funding for USDA personnel and inspection programs at the various airports on the neighbor islands, the State of Hawaii has been expending State funds to assure compliance with USDA requirements. Your Committee further finds that experience to date has clearly documented the feasibility of effectively detecting and controlling the various target pests through existing luggage inspection and closely allied procedures.

Testimony presented at a public hearing by the Hawaii State Departments of Transportation and Agriculture and the Hawaii Farm Bureau Federation strongly supported adoption of the resolution.

Your Committee on Agriculture concurs with the intent and purpose of H.C.R. 92 and recommends its adoption.

Signed by all members of the Committee except Representative Fong.

SCRep. 873-78 Energy and Transportation and Water, Land Use Development and
Hawaiian Homes on H.R. No. 428

The purpose of this resolution is to require a joint report from the State Departments of Transportation and Land and Natural Resources about their efforts to relocate small business tenants who now occupy lands at Sand Island which will be developed into container handling facilities and a State Park.

Testimony presented to your Committees supported the intent of the resolution and noted that forty businesses presently located on Department of Transportation lands are in need of relocation assistance. Your Committee find that these businesses can be accommodated on adjacent lands managed by the Department of Land and Natural Resources.

Your Committees have amended the resolution to request that the joint report be submitted twenty days prior to the convening of the 1979 Regular Session.

Your Committees on Energy and Transportation and Water, Land Use Development and Hawaiian Homes concur with the intent and purpose of H.R. No. 428, as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 428, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Garcia, Larsen, Medeiros and Poepoe.

SCRep. 874-78 Consumer Protection and Commerce on H.C.R. No. 55

The purpose of this concurrent resolution, as amended, is to request Congress to address and seek solutions to the disposal of the plastic waste problem.

Although the problem of plastic waste disposal is not currently of "public health" proportions, society's continued use of plastic will greatly compound and increase the problem if adequate and feasible means of disposal are not found. Currently, plastic is either burned or buried as landfill, polluting the air or the earth since it is not biodegradable. Thus, neither method of disposal represents a desirable long-term solution.

Your Committee concurs with your Committee on Ecology and Environmental Protection that the plastic waste disposal problem is of national concern and should be addressed before it reaches critical proportions. Thus, action by Congress is appropriate because of the nationwide implications and the federal technological and legal research capability.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.C.R. No. 55, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Baker.

SCRep. 875-78

Consumer Protection and Commerce on S.C.R. No. 11

The purpose of this concurrent resolution is to request that the United States Congress refrain from any further federal preemption of the regulation of public utilities in the State of Hawaii, thus allowing the Hawaii Public Utilities Commission to carry out the responsibilities delegated to it by the Legislature of the State of Hawaii.

The United States Congress has under consideration proposed legislation on a national energy policy which relates to the regulation of public utilities across the country. The U.S. Senate and House Joint Conference Committee has reached a tentative agreement on the Public Utility Energy Policies Act, which establishes a national energy policy relating to the regulation of public utilities. Under this Act, federal standards for electric utility rate structures are enumerated and the Act states that these standards must be considered by state regulatory commissions. Also, under the Act, the Secretary of Energy is authorized to intervene in regulatory proceedings to raise the issue of one or more of the enumerated federal standards as well as other concepts which contribute to the purposes of the Act. This proposed Act, as agreed to by the U.S. Senate and House Conferees, already represents a certain degree of federal preemption of state public utility regulatory authority.

Your Committee finds that many states have unique regulatory problems, particularly the State of Hawaii because of its geographic location and climatic conditions. State regulatory commissions across the country, in general, and the State of Hawaii Public Utilities Commission, in particular, appear to be doing competent jobs because they are able to adapt to the special regulatory problems of their respective geographic areas and one set of regulatory standards for the entire country would seem totally impractical.

Your Committee concurs with the Senate Committee on Public Utilities in the belief that further federal preemption would result in serious infringement upon state legislative responsibilities in matters which have historically been deemed best left to the attention of individual states and would completely undermine the rights currently reserved to the states, including the State of Hawaii.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.C.R. No. 11, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Baker.

SCRep. 876-78

Water, Land Use, Development and Hawaiian Homes on H.C.R. No. 110

The purpose of this concurrent resolution is to request the Secretary of Commerce and Secretary of State to establish, in parity with the continental coasts of the United States and in concurrence with WESPAC's Billfish Advisory Sub-Panel Group's recommendations, that in the Preliminary Management Plan for Pacific Billfish, a 200-mile FCZ be established around the entire Hawaiian Archipelago in which foreign retention of billfish be prohibited.

Also, that the federal government demonstrate support of regional planning by the inclusion in appropriate management plans of recommendations by the WESPAC Council which effectuate the developmental needs of Hawaii and the other American Pacific Islands by the requirement of fishing permits for all entering foreign fishing vessels, and by the active prosecution of any violators.

The regional councils are delegated the duty of developing management plans for each significant fishery that are particularly suited to the region's economic and biological needs. However, the Secretary of Commerce, in consultation with the Secretary of State, may overrule regional council recommendations resulting in either less restrictive or non-restrictive guidelines for foreign exploitation contrary to the best interests of the region.

Your Committee recommends that the United States enforce the restriction of all foreign effort within the 200 miles of the Hawaiian archipelago including over pelagic fishery resources. Exception would be made only for reciprocal fishing rights and upon approval of the regional councils affected. Enforcement should be given particular emphasis in banks and seamount areas. Also, your Committee feels the State must set a policy to develop local fishing capability to harvest the optimal yield of the 200 mile regime and assure the coordinated phase out of foreign effort that conflicts with such development. It is essential to the development of island-based fishing capability in Hawaii that adequate management and enforcement policies be promulgated to limit the intrusion of distant water fishermen and to conserve the fish stocks.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.C.R. No. 110 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 877-78

Health on H.R. No. 272

The purpose of this resolution is to request the Congress of the United States to enact legislation to require U.S. citizens to obtain a medical examination before returning to the U.S. if they have resided in areas known to have high occurrence of communicable disease for five or more years.

Your Committee finds that with a high occurrence of communicable disease, it is necessary to implement this type of legislation to reduce the rate of incidence and to protect the health and well being of U.S. citizens. Some of these citizens may be identified early after arrival because of public health regulations requiring a medical screening for certain types of activities, however, others may not be identified for a considerable period of time.

Your Committee realizes that it is essential to classify "nationals" with foreign countries, territories and possessions because American Samoa and trust territories consist of half U.S. citizens. Therefore, your Committee recommends that an amendment that "nationals" be included in this resolution.

Your Committee further amends this resolution by adding a "whereas" clause to follow the sixth paragraph and a "be it further resolved" clause to the seventh paragraph.

Such amendment would be as follows: "WHEREAS, these individuals, being U.S. citizens, cannot be excluded from entry to the U.S., and

BE IT FURTHER RESOLVED that the arrival of such citizens found to have a serious communicable disease be immediately reported to the Department of Health."

Your Committee on Health concurs with the intent and purpose of H.R. No. 272, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 272, H.D. 1.

Signed by all members of the Committee except Representative Baker.

SCRep. 878-78

Consumer Protection and Commerce on H.R. No. 500

The purpose of this resolution is to request the Legislative Reference Bureau, in consultation with other organizations, to conduct a study of conveyance of title and foreclosure problems associated with the use of agreements of sale.

Executory contracts known as agreements of sale have been and are a widely used means of purchasing and selling real property in Hawaii. Because of this sidespread use, however, problems with agreements of sale having to do with conveyance of title and foreclosure have become concomitantly more pervasive and demanding of legislative attention. This resolution recognizes this fact and requests that the Legislative Reference Bureau study these problems, consulting various organizations and individuals to utilize their expertise, and to present recommended solutions thereto.

Your Committee finds that for the Legislature to enact laws to protect the interests of all parties involved in agreements of sale, a study such as the one recommended in this resolution is not only desirable but essential if such body is to rationally, systematically, and efficiently approach this problem.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.R. No. 500 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representative Baker.

SCRep. 879-78

Legislative Management.

Informing the House that House Resolution Nos. 613 to 616 and Standing Committee Report Nos. 862-78 to 866-78, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 880-78 Health on H.R. No. 258

The purpose of this resolution is to request the University of Hawaii College of Education to conduct a feasibility study to include a health education course or program as a mandatory requirement in the elementary and secondary teacher preparation program.

Testimony from the University of Hawaii indicates that an on-site accreditation visit of the secondary education degree program was made by the Department of Education last year. A final report on accreditation will enable the College of Education to determine their strengths and weaknesses to improve the degree programs.

However, your Committee feels that teachers have not received adequate instruction for teaching health education in public schools, particularly in the areas of sex education, venereal disease, and alcohol and drug abuse.

Therefore, your Committee has amended this resolution to include sex education, venereal disease, and alcohol and drug abuse as part of the health education program.

Your Committee further amends this bill by adding a "Be It Further Resolved" clause to read as follows:

"BE IT FURTHER RESOLVED that the University of Hawaii, College of Education in cooperation with the Department of Education conduct in-service health education training and instruction for public school teachers, especially in the elementary school level."

Your Committee on Health concurs with the intent and purpose of H.R. No. 258, as amended herein, and recommends that it be referred to the Committees on Higher Education/Education, in the form attached hereto as H.R. No. 258, H.D. 1.

Signed by all members of the Committee except Representative Baker.

SCRep. 881-78 Employment Opportunities and Labor Relations on H.R. No. 200

The purpose of this resolution is to request the Office of the Legislative Reference Bureau to conduct a study of the feasibility of establishing a state fund for the Temporary Disability Insurance, Prepaid Health Care and Workers' Compensation programs and to determine its probable foreseeable impact.

These programs are presently administered by the Disability Compensation Division of the Department of Labor and Industrial Relations.

Your Committee believes that the separate policies, theories, classifications and administration and funding of such programs which are primarily funded by insurance mechanisms, may be beneficially operated in conjunction with a state fund similar to the unemployment insurance fund. This may result in streamlining and increased coordination of issues such as:

- (1) methods of providing benefits,
- (2) coverage,
- (3) conditions of eligibility,
- (4) benefit formulae,
- (5) levels

A study of this nature may also indicate the desirability of such approach and indicate areas of overlap which may presently exist between the benefit programs.

The Legislative Reference Bureau's cost estimate of this study requested by this resolution is approximately \$200,000 and will require approximately 15 and one-half months to complete. The Legislative Reference Bureau has therefore recommended that the legal feasibility

of this study, including the gathering of data concerning other states and countries in the area of state fund type approach should be attempted first. The cost would be approximately \$50,000 and take up to five calendar months to complete.

In view of this recommendation, your Committee has amended the resolution to limit the scope of the study to determine legal feasibility of establishing a state fund for Temporary Disability Insurance, Prepaid Health Care and Workers' Compensation.

Your Committee on Employment Opportunities and Labor Relations concurs with the intent and purpose of H.R. No. 200, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 200, H.D. 1.

Signed by all members of the Committee.

SCRep. 882-78 Water, Land Use, Development and Hawaiian Homes on H.R. No. 286

The purpose of this resolution, as amended, is to urge the United States Army Corps of Engineers, State Department of Transportation, the City and County Department of Transportation Services and Parks and Recreation, in consultation with representatives of the Mahinui Community Association, the Keapuka Community Association, and the Kaneohe Neighborhood Board, to expediently decide on the matter regarding access thoroughfare possibilities to the Hoomaluhia Recreational Park.

Initially conceived as a flood control project adjacent to Keapuka, Hoomaluhia was simultaneously developed to incorporate a natural park setting which is expected to attract a large number of residents as well as tourists. Since the inception of the project, the large expected influx of visitors to the site (225,000 visitors during the first year, growing to 600,000 visitors in subsequent years) has repeatedly focused community concern and attention to the two proposed park access roads, one being the Kamehameha Highway and Kionaole Road, the other being the Likelike Highway and the Kahekili Highway.

Your Committee feels this problem of access to Hoomaluhia is a direct result of the City and County of Honolulu and the Army Corps of Engineers lack of proper planning. An access route that would have been in consonance with the overall park development, planned use, and its basic outdoor concept, which would have enhanced the appeal of the park and promoted the safety of visitors should have been addressed by both agencies in the planning stage, not the development stage. It is for this reason that your Committee feels the delay of the opening of Hoomaluhia until a safe and mutually agreeable access road is developed to provide a permanent thoroughfare is in the best interest of all involved.

Because of this lack of proper planning, your Committee feels the State Department of Transportation has been subject to undue criticism in that the Department had nothing to do with Hoomaluhia, either in the planning stage or the development stage. The Department had agreed to come on board to help in resolving the problem, but has since found itself in a position, your Committee feels, should be reserved for the Army Corps of Engineers and the City and County of Honolulu.

The resolution has been amended by including reference to Community groups, possible alternative routes, and an additional clause.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 286, as amended herein, and recommends it be referred to the Committee on Energy and Transportation in the form attached hereto as H.R. No. 286, H.D. 1.

Signed by all members of the Committee except Representative Carroll.

SCRep. 883-78 Water, Land Use, Development and Hawaiian Homes and Agriculture
on H.C.R. No. 105

The purpose of this concurrent resolution is to 1) request the department of land and natural resources to proceed immediately with the establishment of a large-scale agricultural park in Waimanalo; 2) that the agricultural park encompass the approximately a) 400 acres of state land in Waimanalo, and b) existing state lands leased for farming purposes provided the approximately 500 acres of fee simple farm lots developed and sold by the then Territory of Hawaii in the 1950's may be excluded at this time from inclusion in the desired agricultural parks; and 3) that the department of land and natural resources submit a progress report on the development of the Waimanalo Agricultural Park to the Legislature not later than twenty days prior to the convening of the Regular Session of 1979.

Your Committees have found that the preservation and development of agriculture in Waimanalo is consistent with the desires of the residents of Waimanalo community, the objectives of the City and County of Honolulu General Plan, the Windward Oahu Regional Plan, and the policies of the state administration and this Legislature.

Your Committees on Water, Land Use, Development and Hawaiian Homes, and Agriculture concur with the intent and purpose of H.C.R. No. 105 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Carroll.

SCRep. 884-78 Water, Land Use, Development and Hawaiian Homes and Agriculture
on H.R. No. 508

The purpose of this resolution is to 1) request the department of land and natural resources to proceed immediately with the establishment of a large-scale agricultural park in Waimanalo; 2) that the agricultural park encompass the approximately a) 400 acres of state land in Waimanalo, and b) existing state lands leased for farming purposes provided the approximately 500 acres of fee simple farm lots developed and sold by the then Territory of Hawaii in the 1950's may be excluded at this time from inclusion in the desired agricultural parks; and 3) that the department of land and natural resources submit a progress report on the development of the Waimanalo Agricultural Park to the Legislature not later than twenty days prior to the convening of the Regular Session of 1979.

Your Committees have found that the preservation and development of agriculture in Waimanalo is consistent with the desires of the residents of Waimanalo community, the objectives of the City and County of Honolulu General Plan, the Windward Oahu Regional Plan, and the policies of the state administration and this Legislature.

Your Committees on Water, Land Use, Development and Hawaiian Homes, and Agriculture concur with the intent and purpose of H.R. No. 508 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Carroll.

SCRep. 885-78 Legislative Management

Informing the House that House Resolution Nos. 617 to 624, House Concurrent Resolution Nos. 144 and 145, and Standing Committee Report Nos. 868-78 to 878-78, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 886-78 Public Employment and Government Operations on H.R. No. 380

The purpose of this resolution is to request that the Committee on Public Employment and Government Operations consider the question of religious freedom as it relates to the payment of service fees to unions, and to consider whether unions should be absolved of any obligation to represent such employees and whether such employees should be permitted to negotiate their own employment contracts, subject to the same conditions of legislative approval as are collective bargaining agreements.

Currently, employees who are not union members are required to pay service fees for union activities directly related to the negotiation and administration of a collective bargaining agreement. Some employees are opposed to paying such fees as a matter of religious belief. Thus, there is a conflict between the religious beliefs of a minority of employees and the statutorily conferred right of unions to receive compensation for the services they provide to non-union members.

Your Committee on Public Employment and Government Operations concurs with the intent and purpose of H.R. No. 380 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 887-78 Public Employment and Government Operations on H.C.R. No. 103

The purpose of this resolution is to request a comprehensive study to examine the adequacy and feasibility of the major provisions of the Employees' Retirement System.

The Employees' Retirement System was established in 1925 and over the years, numerous amendments have been made. Although studies have been conducted on various aspects of the System, a comprehensive study has never been conducted. It is the intent of your Committee that such study take into consideration the recommendations of the Comprehensive Master Plan for the Elderly, December 15, 1974, prepared for the State Commission on Aging, and particularly those recommendations contained in Chapter 9 of the Plan concerning increasing income security for Hawaii's elderly.

Your Committee on Public Employment and Government Operations concurs with the intent and purpose of H.C.R. No. 103 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 888-78 Public Employment and Government Operations on H.C.R. No. 46

The purpose of this resolution is to request the Congress of the United States to fully support the public service employment provisions of the Comprehensive Employment and Training Act, to work toward strengthening the provisions of the Act, and to recommend to the President, continued operation and expansion of Comprehensive Employment and Training Act programs.

Currently, there are approximately 3,000 positions throughout the State which are funded under Comprehensive Employment and Training Act public service employment programs. Testimony received by your Committee indicated that this reflects a major increase over the number of job slots funded last year, a direct result of the Carter Administration's national economic stimulus program. Undoubtedly, the creation of these additional public service jobs has had a significant impact on the level of unemployment in the State of Hawaii. Moreover, it has meant immediate jobs to individuals who have been unemployed for a considerable length of time. The Department of Labor and Industrial Relations supports the intent of this resolution which requests the Congress to create more public service employment as a means of counteracting economic recession and unemployment.

Your Committee has amended the first resolving clause of this resolution to clarify the statement of this legislative intent.

Your Committee on Public Employment and Government Operations concurs with the intent and purpose of H.C.R. No. 46, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 46, H.D. 1.

Signed by all members of the Committee.

SCRep. 889-78 Public Employment and Government Operations on H.R. No. 420

The purpose of this resolution is to request the Office of the Legislative Reference Bureau to study the impact of eliminating the mandatory retirement age for public employees in the State of Hawaii. All State and county departments and agencies are requested to cooperate with the Bureau in the conduct of this study.

Your Committee finds that recently enacted federal legislation will have the effect of eliminating the mandatory retirement of federal employees and of raising the minimum mandatory retirement age of employees covered by the Age Discrimination in Employment Act of 1967. Such legislation will have a direct bearing on the mandatory retirement policies currently in effect for public employees in the State of Hawaii, especially State policy governing mandatory retirement of Department of Education personnel.

Your Committee believes that a reassessment of our mandatory retirement policies is in order and that an impact study on the effects of any contemplated policy change would be timely. This resolution requests a study on the impact of eliminating mandatory retirement for Hawaii's public employees. Such study should include an assessment of the impact on:

- (1) the cost of retirement and pension benefits paid out and contributions paid into the Employees' Retirement System;
- (2) the cost of employer contributions for health and insurance benefits, unemployment compensation and worker's compensation;
- (3) the number of job openings and employment opportunities available in public employment; and
- (4) the cost of public assistance, social services, and other related assistance programs.

The title of this resolution has been amended to better reflect the intent of the study being requested. Your Committee has amended the body of this resolution to reflect the recent passage of federal legislation relating to age discrimination in employment and to clarify the requirements of the study. Your Committee has also amended the last resolving clause to accurately identify the persons to whom certified copies of this resolution are to be transmitted.

Your Committee on Public Employment and Government Operations concurs with the intent and purpose of H.R. No. 420, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 420, H.D. 1.

Signed by all members of the Committee.

SCRep. 890-78 Public Employment and Government Operations on H.R. No. 29

The purpose of the resolution is to request a review of the completed study on the feasibility of continued participation by members of the Employees' Retirement System in the Social Security System. It is requested that such review be done jointly by your Committees on Public Employment and Government Operations and Finance during the interim.

The study to be reviewed was conducted on the relationship of the Employees' Retirement System and Social Security. It indicated that a career employee can receive total retirement benefits in excess of the amount required to maintain his pre-retirement standard of living. The study makes several recommendations, including, but not limited to, the use of an integrated benefit formula.

Your Committee on Public Employment and Government Operations concurs with the intent and purpose of H.R. No. 29 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 891-78 Legislative Management

Informing the House that House Resolution Nos. 625 to 627 and Standing Committee Report Nos. 880-78 to 884-78, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 892-78 Employment Opportunities and Labor Relations and Public Employment and Government Operations on H.R. No. 53

The purpose of this resolution is to request the Congress of the United States to increase Comprehensive Employment and Training Act (CETA) appropriations made available to Hawaii for public service employment, and to request liberalization of the requirements for program eligibility.

Testimony received from the Department of Labor and Industrial Relations revealed that since 1974 when CETA programs began in Hawaii, their impact on the State has steadily increased to substantial levels. During fiscal year 1977, approximately \$28 million in federal CETA funds were spent in Hawaii and in fiscal year 1978, the total will approach \$45 million. Testimony further revealed that had it not been for CETA programs, Hawaii's unemployment and the social costs associated with such unemployment would have been considerably higher.

Your Committees recognize that the long term solution to Hawaii's employment problems is effective economic development that can increase the supply of new jobs to meet a growing population. It is the intent of this resolution to encourage Congress to recognize that until sufficient jobs are created, CETA programs, especially public service employment, need to be expanded. These programs not only assist those who cannot find regular employment, but help to stimulate the economy as well.

This resolution also requests that Congress "liberalize" qualification requirements for CETA program eligibility. Testimony revealed however, that instead of liberalization, greater flexibility in the determination of eligibility requirements is required to enable provision of services to local priority groups which do not meet nationally fixed program eligibility criteria. Accordingly, your Committees have amended the title and body of this resolution to clarify that greater flexibility in the eligibility requirements should be considered by Congress.

Your Committees on Employment Opportunities and Labor Relations and Public Employment and Government Operations concur with the intent and purpose of H.R. No. 53, as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 53, H.D. 1.

Signed by all members of the Committees.

SCRep. 893-78 Employment Opportunities and Labor Relations and Public
Employment and Government Operations on H.C.R. No. 4

The purpose of this concurrent resolution is to request the Congress of the United States to increase Comprehensive Employment and Training Act (CETA) appropriations made available to Hawaii for public service employment, and to request liberalization of the requirements for program eligibility.

Testimony received from the Department of Labor and Industrial Relations revealed that since 1974 when CETA programs began in Hawaii, their impact on the State has steadily increased to substantial levels. During fiscal year 1977, approximately \$28 million in federal CETA funds were spent in Hawaii and in fiscal year 1978, the total will approach \$45 million. Testimony further revealed that had it not been for CETA programs, Hawaii's unemployment and the social costs associated with such unemployment would have been considerably higher.

Your Committees recognize that the long term solution to Hawaii's employment problems is effective economic development that can increase the supply of new jobs to meet a growing population. It is the intent of this concurrent resolution to encourage Congress to recognize that until sufficient jobs are created, CETA programs, especially public service employment, need to be expanded. These programs not only assist those who cannot find regular employment, but help to stimulate the economy as well.

This concurrent resolution also requests that Congress "liberalize" qualification requirements for CETA program eligibility. Testimony revealed however, that instead of liberalization, greater flexibility in the determination of eligibility requirements is required to enable provision of services to local priority groups which do not meet nationally fixed program eligibility criteria. Accordingly, your Committees have amended the title and body of this concurrent resolution to clarify that greater flexibility in the eligibility requirements should be considered by Congress.

Your Committees on Employment Opportunities and Labor Relations and Public Employment and Government Operations concur with the intent and purpose of H.C.R. No. 4, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 4, H.D. 1.

Signed by all members of the Committees.

SCRep. 894-78 Culture and the Arts on H.R. No. 128

The purpose of this resolution is to request the federal department of Health, Education, and Welfare to provide supplementary funds to the Hawaii State Archives in anticipation of the increased needs resulting from passage of the Hawaiian Reparations Act.

The Archives Division of the Department of Accounting and General Services (DAGS) is divided in two branches, Records Management and Records Service.

Records Management, a program most familiar to state agencies, manages the disposition of records and is responsible for:

- 1) the operation of the Records Center located at Shafter Flats;
- 2) the centralized microfilming service for state agencies;
- 3) inventorying and scheduling records still in state agencies.

Although the records and documents under this management branch have no permanent value, they must be retained for a specified period of time and access to them must be authorized by the agency from which these records and documents originated.

The function of the Records Service branch is primarily, to preserve and administer those records which have been determined to be of permanent value. These records and documents are stored in the Archives Building located on the Iolani Palace Grounds. It is this part of the archives program that is best known and utilized by the general public.

Based on the information received by DAGS, use of the historical division of the Record Service branch of the archives has increased from 28 people a day in 1973-74 to 37 each day in 1976-1977. In addition to this, the archives received 20-25 letters a month and 75-100 telephone calls. The archives staff estimates that over half of those individuals utilizing the services of the archives are seeking information on family or land, and that the largest of these are Hawaiians.

Upon consideration of the information available and in view of the anticipated passage of the Hawaiian Reparations bill in the United States Congress, your Committee believes that public demands upon the staff and equipment of the State Archives will increase.

To ensure public access to the necessary resource material located at the archives, additional staff and equipment needs must be met. By providing the additional resources, the public can better be served and the reparations requirements better met.

Your Committee on Culture and the Arts is in accord with the intent and purpose of H.R. No. 128 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 895-78 Culture and the Arts on H.C.R. No. 35

The purpose of this resolution is to request the federal department of Health, Education, and Welfare to provide supplementary funds to the Hawaii State Archives in anticipation of the increased needs resulting from passage of the Hawaiian Reparations Act.

The Archives Division of the Department of Accounting and General Services (DAGS) is divided in two branches, Records Management and Records Service.

Records Management, a program most familiar to state agencies, manages the disposition of records and is responsible for:

- 1) the operation of the Records Center located at Shafter Flats;
- 2) the centralized microfilming service for state agencies;
- 3) inventorying and scheduling records still in state agencies.

Although the records and documents under this management branch have no permanent value, they must be retained for a specified period of time and access to them must be authorized by the agency from which these records and documents originated.

The function of the Records Service branch is primarily, to preserve and administer those records which have been determined to be of permanent value. These records and documents are stored in the Archives Building located on the Iolani Palace Grounds. It is this part of the archives program that is best known and utilized by the general public.

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Upon consideration of the information available and in view of the anticipated passage of the Hawaiian Reparations bill in the United States Congress, your Committee believes that public demands upon the staff and equipment of the State Archives will increase.

To ensure public access to the necessary resource material located at the archives, additional staff and equipment needs must be met. By providing the additional resources, the public can better be served and the reparations requirements better met.

Your Committee on Culture and the Arts is in accord with the intent and purpose of H.C.R. No. 35 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 896-78 Water, Land Use, Development and Hawaiian Homes on H.R. No. 324

The purpose of this resolution is to request the United States 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 as a recreational park and senior center.

Due to the lack of adequate physical facilities, senior citizen programs are very limited along the Waianae Coast. The Waianae Coast Senior Citizens group which presently must utilize the Waianae Methodist Church hall to conduct its activities currently provides programs and services to approximately 200 elderly citizens in the area but are unable to accommodate any others because of the lack of suitable facilities. Consequently a great many more senior citizens along the Waianae Coast who are desirous of senior citizen programs and activities cannot be accommodated.

Also, adequate recreational park facilities along the Waianae Coast are sorely lacking. Specifically there is a need for a park of adequate size to accommodate such activities as baseball, football, tennis and other group activities. At present the existing facilities which are equipped for these functions are overcrowded and inadequate.

The Federal government presently holds title to a parcel of land including buildings in Maile, Oahu, popularly known as the "Voice of America" property which they would possibly be willing to turn over to the State of Hawaii for use as a combination recreational park and senior center.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 324, H.D. 1 and recommends its adoption.

Signed by all members of the Committee except Representative Carroll.

SCRep. 897-78 Water, Land Use, Development and Hawaiian Homes on H.C.R. No. 66

The purpose of this concurrent resolution is to request the United States 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 as a recreational park and senior center.

Due to the lack of adequate physical facilities, senior citizen programs are very limited along the Waianae Coast. The Waianae Coast Senior Citizens group which presently must utilize the Waianae Methodist Church hall to conduct its activities currently provides programs and services to approximately 200 elderly citizens in the area but are unable to accommodate any others because of the lack of suitable facilities. Consequently a great many more senior citizens along the Waianae Coast who are desirous of senior citizen programs and activities cannot be accommodated.

Also, adequate recreational park facilities along the Waianae Coast are sorely lacking. Specifically there is a need for a park of adequate size to accommodate such activities as baseball, football, tennis and other group activities. At present the existing facilities which are equipped for these functions are overcrowded and inadequate.

The Federal government presently holds title to a parcel of land including buildings in Maile, Oahu, popularly known as the "Voice of America" property which they would possibly be willing to turn over to the State of Hawaii for use as a combination recreational park and senior center.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.C.R. No. 66, H.D. 1 and recommends its adoption.

Signed by all members of the Committee except Representative Carroll.

SCRep. 898-78 Water, Land Use, Development and Hawaiian Homes on H.R. No. 501

The purpose of this resolution, as amended, is to 1) request the Mayor and the City Council of the City and County of Honolulu to expedite their efforts in submitting a park development plan and financial agreement to fund the development of a 32-acre state parcel at the corner of Komo Mai Drive and Kaahumanu Drive for a city district park; 2) request the Governor of the State of Hawaii to promptly approve the transfer of the 32-acre state parcel to the city upon receipt and agreement with the city's Waiau park development plans and financial commitment to develop the park; and 3) request the Mayor and City Council and the Governor to submit a status report on the development of the proposed Waiau district park to the House of Representatives not later than twenty days prior to the convening of the Regular Session of 1979.

Your Committee feels this 32-acre site has the potential of providing a variety of active and passive recreational opportunities and substantially alleviating the increasing recreational demands for open space and recreational facilities by residents of the rapidly expanding communities of Newtown, Waiau, and Pearlridge.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 501, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 501, H.D. 1.

Signed by all members of the Committee except Representative Carroll.

SCRep. 899-78 Water, Land Use, Development and Hawaiian Homes on H.R. No. 405

The purpose of this resolution, as amended, requests the Department of Land and Natural Resources, and the Department of Transportation to correct the problems of flooding and inadequate drainage in the Kapulena and Kukuihaele areas on the island of Hawaii.

Flooding in these areas occurs because water runs off from the mountains into the low-lying areas and the drainage facilities are insufficient to handle the excess water, thereby threatening the homes in the areas. Your Committee feels that action to correct the problems of flooding is necessary and in the public interest.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 405, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 405, H.D. 1.

Signed by all members of the Committee.

SCRep. 900-78 Health on H.R. No. 205

The purpose of this Resolution is to bring attention to the ongoing fight Hawaii has waged against the ravages of Cancer.

At present, cancer is the major killer of Hawaii's citizens; accounting for approximately 22 per cent of all deaths by disease in 1976. Although the efforts to contain and eradicate this disease continue year round, the President and Congress of the United States and the Governor of this State have proclaimed April as Cancer Control Month. Your Committee is in agreement that attention should be brought to this ongoing effort.

Your Committee on Health concurs with the intent and purpose of H.R. No. 205 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 901-78 Corrections and Rehabilitation on H.R. No. 431

The purpose of this resolution is to request the State Commission on Mental Health and Criminal Justice to review the present system of referring inmates from the corrections system and the courts, who require treatment for mental disorders, to the Hawaii State Hospital for treatment. Upon completion of this review, the commission would report back to the Legislature prior to the beginning of the 1979 session.

Your committee feels that there is reason for concern that the capacity of the Hawaii State Hospital may be overburdened by the referral of prison inmates and also that the potential exists for possibly dangerous situations when inmate patients are treated at the same facility as civilly committed and voluntary patients at the hospital. It has been suggested that inmates be treated in psychiatric facilities within the corrections system itself or in a proposed third facility.

Testimony presented by the Department of Social Services and Housing favored review by the State Commission on Mental Health and Criminal Justice. Testimony by a representative of the commission stated its support for this resolution and its willingness to undertake the proposed review within the given time constraints.

Your Committee on Corrections and Rehabilitation concurs with the intent and purpose of H.R. No. 431 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 902-78 Ocean and Marine Resources on H.R. No. 422

The purpose of this resolution is to request the Department of Land and Natural Resources to conduct public hearings in the district of Kona to determine whether this is a need to impose rules and regulations limiting fishing to preserve sea life within Kahaluu Bay.

Your Committee finds that Kahaluu Bay in Kona, Hawaii has long been a favorite fishing area for both recreational and commercial fishermen. In years past, it was possible to balance the needs of both groups, but recently the increase in numbers of both groups has put increased pressures on the marine resources of the Bay.

Your Committee finds that there has been reduction in the once bountiful numbers and varieties of sea life, creating competition between recreational and commercial fishermen. If all users are to be accommodated, a management plan for the Bay and its dwindling marine resources may be in order.

Any management plan designed to control the diverse fishing pressures in the Bay should be based upon public input and consensus obtained through a public meeting as requested by the resolution. Such public involvement and support are key factors in achieving the desired objectives of protecting and restoring the resources and enhancing the recreational opportunities of the Bay.

Your Committee finds that the Department of Land and Natural Resources has established rules and regulations concerning fishing in other areas, such as Wailua Bay, Pokai Bay, the Kapaa and Waikana Canals, and others.

Your Committee on Ocean and Marine Resources concurs with the intent and purpose of H.R. No. 422 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 903-78 Higher Education on H.R. No. 435

The purpose of the resolution is to have the House of Representatives support the efforts of the faculty committee presently meeting to develop a fair, firm, workable, and clear articulation policy for the University of Hawaii system and to have the Board of Regents and the responsible officers of the University of Hawaii system offer their full support to the efforts of this faculty committee and to other programs and activities designed to facilitate and improve this intra-system articulation.

Further, the resolution requests that the Board of Regents submit, prior to the convening of the 1979 Regular Session of the Legislature, a report on the status of the policies and procedures actually implemented and the results or outlook for the improvement of articula-

tion therefor. This report is to be prepared in consultation with students (or, at a minimum, include their reaction) and faculty, by college, of the effectiveness of such articulation policies and procedures which have been implemented.

Testimony presented indicated that for the first time since the inception of the University-wide system there is finally, after several unsuccessful attempts, a faculty group, representing all the campuses, whose general concern is the very issue of articulation itself. This group is at present dealing notably with the problem of course credit transferrals between the various campuses of students changing schools within the system. The very fact that this group was able to organize and meet is considered a most encouraging sign for the success of the system as it exists to handle intra-system problems.

In order to support these efforts more substantially, certain amendments have been proposed. The first would be in the treatment of all campuses as equals, thereby referring to them as "units of the system". The second concerns recognition that problems exist, too, for students transferring from baccalaureate degree-granting institutions to community colleges, as well as vice-versa. The third focuses upon the correction that these efforts towards articulation have not been limited to the community colleges themselves, but the entire system, and intend to include curriculum development, grade-point average transferability (and other closely allied areas) as well as the previously-mentioned course transferability. The fourth addresses itself to the formation of a "University of Hawaii Academic Affairs Council" which will include representatives from all the various undergraduate units of the system. And, last, the term "articulation" is to be expanded to include a process or mechanism by which an "orderly coordination of programs at various degree-granting institutions is accomplished to insure an efficient and effective transfer process for students attending the institutions, and whereby all persons, especially faculty," should be informed of policy development and program implementation.

Your Committee believes these amendments, discussed above in general but presented in detail in the draft, should be supported, particularly as the University of Hawaii administration itself testified strongly in support of the articulation process and assured the Committee it would do all it could to assist in the implementation of this resolution.

Your Committee on Higher Education concurs with the intent and purpose of H.R. No. 435 as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 435, H.D. 1.

Signed by all members of the Committee.

SCRep. 904-78

Higher Education on H.C.R. No. 87

The purpose of this concurrent resolution is to have the House of Representatives support the efforts of the faculty committee presently meeting to develop a fair, firm, workable, and clear articulation policy for the University of Hawaii system and to have the Board of Regents and the responsible officers of the University of Hawaii system offer their full support to the efforts of this faculty committee and to other programs and activities designed to facilitate and improve this intra-system articulation.

Further, this concurrent resolution requests that the Board of Regents submit, prior to the convening of the 1979 Regular Session of the Legislature, a report on the status of the policies and procedures actually implemented and the results or outlook for the improvement of articulation therefor. This report is to be prepared in consultation with students (or, at a minimum, include their reaction) and faculty, by college, of the effectiveness of such articulation policies and procedures which have been implemented.

Testimony presented indicated that for the first time since the inception of the University-wide system there is finally, after several unsuccessful attempts, a faculty group, representing all the campuses, whose general concern is the very issue of articulation itself. This group is at present dealing notably with the problem of course credit transferrals between the various campuses of students changing schools within the system. The very fact that this group was able to organize and meet is considered a most encouraging sign for the success of the system as it exists to handle intra-system problems.

In order to support these efforts more substantially, certain amendments have been proposed. The first would be in the treatment of all campuses as equals, thereby referring to them as "units of the system". The second concerns recognition that problems exist, too, for students transferring from baccalaureate degree-granting institutions to community colleges, as well as vice-versa. The third focuses upon the correction that these efforts towards articulation have not been limited to the community colleges themselves, but

the entire system, and intend to include curriculum development, grade-point average transferability (and other closely allied areas) as well as the previously-mentioned course transferability. The fourth addresses itself to the formation of a "University of Hawaii Academic Affairs Council" which will include representatives from all the various undergraduate units of the system. And, last, the term "articulation" is to be expanded to include a process or mechanism by which an "orderly coordination of programs at various degree-granting institutions is accomplished to insure an efficient and effective transfer process for students attending the institutions, and whereby all persons, especially faculty," should be informed of policy development and program implementation.

Your Committee believes these amendments, discussed above in general but presented in detail in the draft, should be supported, particularly as the University of Hawaii administration itself testified strongly in support of the articulation process and assured the Committee it would do all it could to assist in the implementation of this resolution.

Your Committee on Higher Education concurs with the intent and purpose of H.C.R. No. 87 as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 87, H.D. 1.

Signed by all members of the Committee.

SCRep. 905-78

Consumer Protection and Commerce on H.R. No. 545

The purpose of this resolution is to request the Legislative Reference Bureau to examine the problems and issues involved in converting residential leasehold multi-family dwellings to fee simple.

The multi-family dwelling, i.e., a building containing more than one individually owned unit, is and is increasingly becoming an even more popular form of home ownership in Hawaii. However, because most of these buildings have been and are being constructed on leased land, serious questions arise as to the rights and duties of the various parties involved, i.e., the lessor and the various lessees/ homeowners, when the leases terminate as they by definition eventually must.

This resolution would request the Legislative Reference Bureau to study this situation, considering all facets thereof, including but not limited to (1) the impairment of contract issue with respect to legislatively divesting a lessor of the right to dispose of his property as he sees fit, (2) the lessee's vested interest, if any, in his unit, and (3) the possibility or advisability of treating the various forms of multi-family dwellings, i.e., condominiums, co-operatives, and Planned Unit Developments, differently.

Your Committee is of the opinion that such a study is essential to give the Legislature an overview of the problem, enabling it to take a comprehensive, rational approach to corrective legislative action.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.R. No. 545 and recommends that it be referred to the Committee on Housing.

Signed by all members of the Committee except Representative Naito.

SCRep. 906-78

Consumer Protection and Commerce on H.R. No. 581

The purpose of this resolution is to request that a comprehensive study of the Hawaii Water Carrier Act be conducted to ascertain and solve any problems or shortcomings contained therein or created thereby.

Being an island state, the importance of developing, coordinating and preserving a sound water transportation system has long been recognized by Hawaii's Legislature and, in response thereto, it enacted the Hawaii Water Carrier Act in 1974. However, after four years' experience with the Act, it is evident that some modification is necessary as evidenced by the number of proposals which have appeared before this body to so modify the Act and the amendments to it.

This resolution would request the Public Utilities Commission, the Public Utilities Division, the Department of Regulatory Agencies and Young Brothers, Ltd., and other interested parties to discuss possible solutions to the problems posed by the Hawaii Water Carrier Act and to recommend possible corrective legislative action in response thereto. Your

Committee feels that such a study is an essential prerequisite to rational, informed legislative action.

However, your Committee has amended the resolution for the purpose of clarifying some of the premises upon which it is based. Accordingly, the third, fourth, fifth, sixth, and seventh WHEREAS clauses have been so modified.

In addition, your Committee has amended the first RESOLVED clause to entrust the three government agencies and the private water carrier with the primary responsibility of conducting the study, and requesting them to invoke the input of consultants, shippers and other interested parties. In this regard, your Committee intends that if funds are needed for consultants, the Public Utilities Commission be responsible for obtaining or providing such funds.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.R. No. 581, as amended herein, and recommends that it be referred to the Committee on Energy and Transportation in the form attached hereto as H.R. No. 581, H.D. 1.

Signed by all members of the Committee except Representative Naito.

SCRep. 907-78 Consumer Protection and Commerce on H.R. No. 415

The purpose of this resolution is to request the Speaker of the House of Representatives to appoint an interim committee to study the problems and needs of regulating financial institutions and to make recommendations with respect thereto.

Your Committee finds that consumer protection in the area of the regulation of financial institutions is best served by the disclosure of information, a well-informed public being more capable of rational decision making with respect to financial transactions. In addition, such matters as holding policies, withdrawal limits, interest rates, penalties, and electronic fund transfer systems, and the federal and State legislation in these areas, are equally important from the Legislature's viewpoint in furthering such consumer protection.

Your Committee is of the opinion that the interim committee requested in this resolution, comprised of members of the House of Representatives as well as the Department of Regulatory Agencies, and representatives from the credit unions, banks, industrial loan companies, and savings and loan companies, would be able to provide much insight into these matters and enable the Legislature to enact more meaningful legislation.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.R. No. 415 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representative Naito.

SCRep. 908-78 Consumer Protection and Commerce on H.R. No. 606

The purpose of this resolution is to commend the problem of unsolicited telephone calls to the attention of the Public Utilities Commission and to request the Commission to consider solutions to said problem through proper management and regulation of soliciting companies.

Your Committee finds that the privacy of the citizens are being invaded upon by telephone solicitations and, currently, there is no effective means of protection from such calls which constitute a nuisance and intrusion on the right to privacy. Your Committee feels that the Commission shares the concerns stemming from the problem posed and could effectively deal with it at an early date.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.R. No. 606 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Naito.

SCRep. 909-78 Water, Land Use, Development and Hawaiian Homes on H.R. No. 406

The purpose of this resolution is to request the department of land and natural resources

to study the area at Onomea Bay at Hilo, Hawaii with a view towards assessing the feasibility of developing Onomea Park including projection of costs, property to be acquired, and other factors necessary to the realization of the park, and to submit a report of its findings and recommendations to the legislature prior to the Regular Session of 1979.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 406 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Naito.

SCRep. 910-78 Water, Land Use, Development and Hawaiian Homes on H.R. No. 464

The purpose of this resolution, as amended, is to request the Department of Transportation to conduct a feasibility study for a sandy beach and comfort stations located next to Coconut Island, directly opposite Queen Liliuokalani Park, Hilo, Hawaii, and to include in this study a method of stabilizing the movement of sand from this location.

Your Committee feels the lack of natural beaches in East Hawaii is of growing concern and disappointment to both visitors and residents alike. The nearest sandy beach is over thirty miles away at Kaimu Bay, Kalapana, and is often too rough for safe swimming. The location of beach park on Coconut Island would ideally serve the needs of the adjacent hotel district on Banyan Drive, as well as the nearby Hilo community.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 464, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 464, H.D. 1.

Signed by all members of the Committee except Representative Naito.

SCRep. 911-78 Water, Land Use, Development and Hawaiian Homes on H.R. No. 540

The purpose of this resolution is to request action by the Governor, Board of Land and Natural Resources, Board of Water Supply, Department of Transportation, Department of Accounting and General Services and the City and County of Honolulu to implement a legislative policy that a major waterfront park be expeditiously developed on the Fort Armstrong-Kewalo Peninsula.

Your Committee heard testimony from the Chairman of the Board of Land and Natural Resources, the Department of Transportation and the Foreign Trade Zone manager. All three testified in favor of the resolution but each suggested refinements and modifications to specific boundaries. Many of their suggestions have been incorporated in H.D. 1. Specifically, both phase I and phase II-B have been reduced to minimize the impact on the Foreign Trade Zone and the operations of the Department of Transportation. These changes are reflected on the map which is incorporated by reference through the first paragraph of the third page. Phase I has been further reduced by narrowing the strip which connects Ala Moana Park to the Kewalo-Armstrong Peninsula so as to allow greater access to Kewalo Harbor operations. Two changes to the text of the Resolution were made to reflect the appropriations in the 1978 supplemental budget and the termination of a revocable permit.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 540, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. 540, H.D. 1.

Signed by all members of the Committee except Representative Naito.

SCRep. 912-78 Water, Land Use, Development and Hawaiian Homes on H.C.R. No. 118

The purpose of this concurrent resolution is to request action by the Governor, Board of Land and Natural Resources, Board of Water Supply, Department of Transportation, Department of Accounting and General Services and the City and County of Honolulu to implement a legislative policy that a major waterfront park be expeditiously developed on the Fort Armstrong-Kewalo Peninsula.

Your Committee heard testimony from the Chairman of the Board of Land and Natural

Resources, the Department of Transportation and the Foreign Trade Zone manager. All three testified in favor of the resolution but each suggested refinements and modifications to specific boundaries. Many of their suggestions have been incorporated in H.D. 1. Specifically, both phase I and phase II-B have been reduced to minimize the impact on the Foreign Trade Zone and the operations of the Department of Transportation. These changes are reflected on the map which is incorporated by reference through the first paragraph of the third page. Phase I has been further reduced by narrowing the strip which connects Ala Moana Park to the Kewalo-Armstrong Peninsula so as to allow greater access to Kewalo Harbor operations. Two changes to the text of the concurrent Resolution were made to reflect the appropriations in the 1978 supplemental budget and the termination of a revocable permit.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.C.R. No. 118, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 118, H.D. 1.

Signed by all members of the Committee except Representative Naito.

SCRep. 913-78 Ocean and Marine Resources and Ecology and Environmental Protection on H.R. No. 384

The purpose of this Resolution is to condemn the slaughter of dolphins and request the United States Department of State to take appropriate action.

Your Committees find that dolphins and their cetacean cousins are important and valuable members of the marine community, recognized as friends of man with innumerable instances of dolphins coming to the aid of swimmers and sailors in distress. In addition, the sensitivity and intelligence of marine mammals warrants further concern over their continued survival.

Your Committees find that there have been numerous instances where dolphins have been slaughtered, either inadvertently through certain fishing practices, or deliberately, as in the well publicized case on Iki Island.

Your Committees received testimony indicating that the United States is responsible for the unnecessary destruction of a great number of dolphins, and that it would be hypocritical to condemn only the actions of a single foreign country. Accordingly, your Committees have amended the resolution to reflect a concern for actions by the entire international community.

Your Committee on Ocean and Marine Resources and your Committee on Ecology and Environmental Protection concur with the intent and purpose of H.R. No. 384, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.R. No. 384, H.D. 1.

Signed by all members of the Committees except Representative Naito.

SCRep. 914-78 Education on H.R. No. 514

The purpose of this Resolution is to request 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.

Your Committee finds that the gifted and talented students of the public school system have long been without programs designed to augment their education, or programs which are intended to ensure that their specific educational needs are met to assure appropriate levels of achievement and accomplishment. Your Committee further finds a definite need to establish uniform standards and procedures for the identification of the specific abilities of students so that students can be matched with educational programs best suited to their individual needs.

Your Committee has heard testimonies from the Department of Education, Hawaii State Teachers Association and the Hawaii Association for Intellectually Gifted Children in support of this Resolution. The Department of Education has taken the following major steps regarding gifted and talented students: (1) A State Plan for providing appropriate educational opportunities for the gifted and talented has been drafted and approved by the State Board of Education; (2) A federally funded project designed to develop identification measures and explore ways to appropriately accommodate the artistically talented is being conducted

in the Windward District; (3) A Title IV-C project has been funded for the purpose of establishing assessment measures, for developing an individualized education planning process for the gifted and talented, for trial testing of students and training of staff; and (4) An expansion budget item for the 1979-81 biennium requesting funds to provide services to ensure that the gifted and talented are identified and provided appropriate educational opportunities commensurate with their identified abilities is being considered for submittal to the 1979 State Legislature.

Your Committee feels that these needs to be uniform standards for identifying these gifted children and that these standards be used throughout all public schools. Your Committee has learned that the Department of Education is currently working on these standards and will have the standards set by the beginning of the 1978-79 school year.

Your Committee on Education concurs with the intent and purpose of H.R. No. 514 and recommends that it be referred to the Committee on Finance for further consideration.

Signed by all members of the Committee.

SCRep. 915-78 Education on H.R. No. 236

The purpose of this Resolution is to request the Department of Education to report to the Legislature sixty days prior to the convening of the 1979 Legislative Session on the progress of planning implementation for full participation of girls in the athletic program.

Your Committee finds that the Report on Sex Bias in the Public Schools of Hawaii found that "Using every available standard for comparison of girls' and boys' athletics, the public schools of Hawaii are clearly in violation of Title IX of the Education Amendment of 1972". Your Committee further finds that Act 46-76 explicitly states that, "No person in the State of Hawaii shall on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational or recreational program or activity receiving State or County facilities".

Your Committee has heard testimony from the Department of Education in favor of this Resolution. The Department of Education stated that it has encouraged and provided opportunities for girls' participation in sports. Special orientation meetings were conducted for girls to discuss opportunities and requirements and to encourage participation. The Department submitted the following data:

	<u>1974-75</u>	<u>1975-76</u>	<u>1976-77</u>	<u>1977-78</u>
No. of sports	9	11	13	14
No. of participants	3,478	3,402	5,233	5,334

Your Committee on Education concurs with the intent and purpose of H.R. No. 236 and recommends that it be referred to the Committee on Finance for further consideration.

Signed by all members of the Committee.

SCRep. 916-78 Consumer Protection and Commerce on H.R. No. 536

The purpose of this resolution is to request the Department of Regulatory Agencies to study (1) the use of binders, certificates of insurance and other devices which have the apparent effect of avoiding the Hawaii Insurance Law; (2) the effect of such practices on the consuming public as well as on insurers, general agents and solicitors; and (3) the effect of such practices on premium tax revenues collected by the State.

The Hawaii Insurance Law is designed to protect the public interest with respect to all transactions of insurance by regulating the business of insurance within the State. Binders, certificates of insurance and other evidences of insurance other than the insurance policy itself can be effectively used to provide insurance without regard to the provisions of the Hawaii Insurance Law. This resolution would request that a study be made of the use of these means of providing insurance to ascertain what effect they are having on the consumer, those within the insurance industry itself, and State tax revenues.

Your Committee finds that such a study is desirable to insure that such practices are not detrimental to the consuming public's interest and that the State is not thereby being deprived of gross premium tax income to which it would otherwise be entitled.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.R. No. 536 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Baker and Naito.

SCRep. 917-78 Consumer Protection and Commerce on H.C.R. No. 116

The purpose of this concurrent resolution is to request the Department of Regulatory Agencies to study (1) the use of binders, certificates of insurance and other devices which have the apparent effect of avoiding the Hawaii Insurance Law; (2) the effect of such practices on the consuming public as well as on insurers, general agents and solicitors; and (3) the effect of such practices on premium tax revenues collected by the State.

The Hawaii Insurance Law is designed to protect the public interest with respect to all transactions of insurance by regulating the business of insurance within the State. Binders, certificates of insurance and other evidences of insurance other than the insurance policy itself can be effectively used to provide insurance without regard to the provisions of the Hawaii Insurance Law. This concurrent resolution would request that a study be made of the use of these means of providing insurance to ascertain what effect they are having on the consumer, those within the insurance industry itself, and State tax revenues.

Your Committee finds that such a study is desirable to insure that such practices are not detrimental to the consuming public's interest and that the State is not thereby being deprived of gross premium tax income to which it would otherwise be entitled.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.C.R. No. 116 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Baker and Naito.

SCRep. 918-78 Consumer Protection and Commerce on H.R. No. 211

The purpose of this resolution is to request the Office of Consumer Protection to study and review the entire Landlord-Tenant Code for any inherent inequities between the rights of both tenant and landlord and to suggest the necessary corrective legislation.

Your Committee finds that the present Code unfairly favors the tenant and unduly burdens the landlord, particularly in situations where the tenant fails to act in good faith. Your Committee feels that a comprehensive review of the Code by the Office of Consumer Protection, which receives the majority of landlord complaints, is essential before any meaningful modification of the Code to eliminate the inherent inequities and more fairly balance the rights of both parties can be made.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.R. No. 211 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Baker and Naito.

SCRep. 919-78 Legislative Management

Informing the House that House Resolution Nos. 628 to 639, House Concurrent Resolution No. 146, Standing Committee Report Nos. 886-78 to 890-78, and Conference Committee Report No. 12, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 920-78 Consumer Protection and Commerce on H.R. No. 597 (Majority)

The purpose of this resolution is to request the Motor Vehicle Insurance Commissioner to investigate the possibility of providing free bus service to public assistance recipients.

Presently, public assistance recipients are provided motor vehicle insurance under the Hawaii Joint Underwriting Plan (HJUP) wherein premiums for such insurance are supposed to be offset by the higher rates assessed commercial vehicles. However, the cost of such a program in terms of premium amounts not realized from public assistance drivers was \$5,092,087 as of June 30, 1977 and, from the experience of the HJUP and the statistics reported by the Motor Vehicle Insurance Commissioner, it is clear that premiums from commercial vehicles and other high-risk drivers have not worked to offset the cost of providing such insurance, necessitating an increase in the insurance rates in the private market to make up the deficit.

This resolution requests the Motor Vehicle Insurance Commissioner to study the alternative of encouraging the use of the City and County of Honolulu bus system by public assistance drivers for the purpose of reducing the number of such drivers and, therefore, the moneys needed to insure them.

Your Committee agrees that an alternative to the HJUP system needs to be pursued because, as it is presently operating, the cost of insurance in the private market must inevitably be increased to offset the unrealized premiums for insuring these drivers. However, your Committee feels that providing free bus passes to public assistance drivers is but one alternative to solving the problem herein presented and recommends an amendment to this resolution for the purpose of broadening the scope of the requested study to determine a means of providing necessary mobility for welfare recipients at the lowest cost to taxpayers and automobile premium purchasers.

Further, your Committee feels that the Department of Social Services and Housing (DSSH) should be involved in any such study inasmuch as it provides the public assistance to public assistance drivers. Accordingly, your Committee has amended the resolution to request that the Motor Vehicle Insurance Commissioner review potential interrelationships among the DSSH, the HJUP, and the city's bus system in cooperation with the Director of the DSSH and the Director of the City and County of Honolulu Department of Transportation Services in an effort to determine the best alternative available.

Among the alternatives your Committee believes should be considered are: (1) excluding public assistance drivers from the HJUP, (2) covering neighbor island public assistance drivers and all employed public assistance drivers under the DSSH, (3) providing unemployed public assistance recipients on Oahu with either bus passes or a monthly quota of bus tokens, and (4) providing the city with a partial reimbursement for tokens which are returned to DSSH to help offset the operating deficit of its bus system.

Finally, your Committee has amended the title of this resolution to read: "House Resolution Requesting a Study of the Feasibility of Replacing Free No-Fault Auto Insurance Under the Hawaii Joint Underwriting Plan With a System of Bus Passes."

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.R. No. 597, as amended herein, and recommends that it be referred to the Committee on Public Assistance and Human Services in the form attached hereto as H.R. No. 597, H.D. 1.

Signed by all members of the Committee.
(Representative Blair did not concur.)

SCRep. 921-78 Energy and Transportation on H.R. No. 592 (Majority)

The purpose of this resolution is to withdraw the support of the House of Representatives for the Honolulu Area Rapid Transit (HART) 14 mile fixed guideway system as proposed in the two major consultant's reports entitled Preliminary Engineering and Evaluation Program I (PEEP I) and II (PEEP II).

At the outset, it should be noted that under Chapter 51, Hawaii Revised Statutes, each county was given the sole responsibility to acquire and operate mass transit systems within its jurisdiction. Ordinarily, the proposed HART would be fully funded and operated by the City and County of Honolulu. However, because of its enormous costs - HART proposes to become the largest single public works project in our state's history - the City and County of Honolulu solicited the Legislature's commitment to fund one-half of the capital costs. Consequently, the 1975 Legislature, relying primarily on data provided by the City in PEEP I and PEEP II, made a commitment to fund one-half of HART's capital costs by adopting Senate Concurrent Resolution No. 135, H.D. 1.

However, after more than three years of reevaluation your Committee finds that faulty

analysis and planning by HART's consultant, the state's weak fiscal condition, escalating capital and operating costs, new and significantly reduced employment and population projections and major engineering revisions, including proposals to either realign HART's route through a two mile underground tunnel beneath Waiālae Avenue or shorten the route from 14 to only 8 miles provide justification for withdrawal of support for HART.

THE STATE'S WEAK FISCAL CONDITION

Changing economic conditions have seriously affected the State's fiscal condition. Your Committee received testimony from Eileen Anderson, the Director of Budget and Finance, that apparently the State cannot issue more than \$150 to \$170 million in general obligation bonds per year without jeopardizing its bond credit rating. Anderson testified that the State's bond rating is presently a low AA and that issuance of bonds in excess of \$150 to \$170 million per year may result in a lower A rating.

Anderson also testified that the State debt now totals approximately \$1.3 billion while an additional \$1 billion has already been appropriated for various projects such as highways, schools and parks. Anderson told your Committee that any bonds which were used to fund the State's share for HART would not only place a strain on the State's already weak fiscal condition but would also displace bonds which could be issued for other state projects which may have greater priority. This could result in the displacement and postponement of the construction of future projects, many of which have matching federal funds.

THE HIGH COST OF HART

Your Committee finds that the City and County of Honolulu still has not developed a detailed financial plan for funding HART's capital and operating costs. Your Committee concluded that such a plan is essential to the Legislature's continued support of HART. Your Committee noted that ever since 1975 it has requested the City to provide such a plan. The City's failure to develop such a plan over the past four years (since the Legislative commitment in 1975) must be taken as evidence that the City will have difficulty funding the capital and operating costs of HART out of its present sources of revenues.

Your Committee found the City's estimated costs for the construction of HART highly optimistic. For example, in 1972, the City estimated that a 14 mile HART system could be built for \$582 million. In 1977, the City revised the estimated cost to \$730 million. Under the City's estimates, the cost for HART is \$52 million per mile. By comparison, your Committee found that Atlanta's fixed guideway system was built at a cost of \$74 million per mile. And Baltimore's fixed guideway system cost \$90 million per mile. Your Committee finds that in view of Hawaii's generally higher construction costs (for example, Hawaii's housing construction costs are approximately 30 percent higher than mainland costs), it is unrealistic to expect that HART can be constructed cheaper than the fixed guideway systems in Atlanta and Baltimore. HART's apparently underestimated capital costs is of major concern to your Committee since any cost overruns for HART may have to be borne in total or in part by the State and City.

MAJOR ENGINEERING REVISIONS

When the Legislature made the commitment to the 14 mile HART system in 1975, the PEEP II plan called for the use of approximately six miles of the H-1 freeway to reduce right-of-way acquisition costs.

However, the State Department of Transportation has publicly opposed the use of two lanes of the Kahala end of the H-1 freeway for HART. The Federal Highway Administration expressed similar concerns.

Consequently, the City is now considering two alternatives which significantly alters the HART route proposed in PEEP II. First, the City has recently suggested and is now studying the construction of a two mile subway tunnel under Waiālae Avenue. The City roughly estimates that the two mile subway may cost \$60 million per mile, an apparently highly optimistic prediction in view of the per mile costs of the systems in Atlanta and Baltimore cited above. Second, the City is also considering building an 8 mile instead of 14 mile HART system.

Your Committee notes that neither of the proposed alternatives were ever considered by the Legislature in 1975 when it passed Senate Concurrent Resolution No. 135.

THE NEW EMPLOYMENT PROJECTIONS

In justifying the HART system, the City's consultant predicted HART would carry 18,100

persons per hour during the peak hour. This prediction was made on the assumption that there would be a population of 924,000 persons and 518,000 jobs on Oahu in 1995.

Your Committee has received reliable information which indicates that the peak hour ridership projections for HART is highly unrealistic when compared to the peak hour riderships of fixed guideway systems in mainland cities. For example, Chicago's system with a population of over 7 million, has a daily peak hour ridership of only 15,000 persons. Philadelphia's Lindenwold system, which serves a population of 4.5 million, carries only 12,000 persons per hour.

Moreover, DPED's recent employment forecasts, perhaps the single most important determinant of peak hour traffic, have been significantly reduced from 518,000 to 417,000 jobs for 1995 - a difference of 20 percent. Your Committee is concerned about the impact of the new employment projections on HART's ridership. It seems reasonable to expect that a 20 percent reduction in employment projections will result in a corresponding reduction in HART's ridership, which in turn may lead to higher operating costs. Moreover, a reduction in the number of jobs means that the pro rata cost per individual taxpayer for HART will be greater than anticipated by the HART consultant.

FAULTY PLANNING AND THE LACK OF OBJECTIVITY

In addition to the concerns raised above, your Committee found that the PEEP I and PEEP II studies are plagued by faulty planning and an apparent lack of objectivity.

Your Committee noted that a seminar on the proposed fixed guideway system sponsored by the Legislative Auditor on January 26 and 27 raised serious questions concerning the feasibility of such a system for Honolulu. Nationally renowned transportation experts from universities such as Harvard, Princeton, the University of California at Berkeley and Georgia State University who participated in the seminar found there is no evidence that fixed guideway systems reduce traffic congestion and air pollution or conserve energy as claimed by the consultant in PEEP I and PEEP II. These same experts also found that for medium sized cities such as Honolulu an all bus system would be more cost-efficient than a fixed guideway.

Your Committee found that a principle objection to the HART proposal was the lack of an objective, thoroughly researched bus alternative. Your Committee noted that the transportation experts at the seminar found the alternative analysis for PEEP I and PEEP II lacking in objectivity and credibility. Your Committee agreed and concluded that the alternative analysis for HART cannot be accepted as a properly objective study of the potential alternatives to the fixed guideway.

Your Committee is also concerned with the lack of objectivity of the consultant's reports which were used to justify the fixed guideway proposal. Your Committee found that the same consultant who was hired to produce the Preliminary Engineering and Evaluation Programs (PEEP I and PEEP II), was also hired to do the analysis of alternatives to the fixed guideway, the Environmental Impact Statement and the preliminary engineering design. Your Committee further notes that the same consultant will be the leading candidate to manage the overall construction of the fixed guideway, a job which will result in the consultant receiving an estimated \$41.1 million in fees. Your Committee finds that this apparent major conflict of interest on the part of the consultant is not conducive to the kind of objectivity required to properly assess the pros and cons of a project of the magnitude of the proposed fixed guideway.

For the reasons stated above, your Committee has concluded that continued support for the guideway as proposed in PEEP I and PEEP II is untenable and cannot be justified.

Amendments have been made for purposes of clarity and style.

Your Committee on Energy and Transportation concurs with the intent and purpose of H.R. No. 592, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 592, H.D. 1.

Signed by all members of the Committee.
(Representative Stanley did not concur.)

SCRep. 922-78

Water, Land Use, Development and Hawaiian Homes on H.R. No. 578

The purpose of this resolution, as amended, is to urge the City and County of Honolulu to enter into negotiations with Hawaii Kai Community Services Company for the purpose

of acquiring the Hawaii Kai sewage treatments plant and systems in the Hawaii, Oahu, area.

In 1960 the City and County of Honolulu was unable to fund sewer facilities to serve the anticipated residential population in the Hawaii Kai area. Thus the City and County came to an agreement with the Kaiser Hawaii Kai Development Company that a privately owned and operated sewer systems would be provided.

Your Committee finds that as a result residents of Hawaii Kai are assessed sewer charges in a manner different from that used to determine sewage charges of users of public sewage systems, while at the same time paying the same real property taxes which in part go to the development, operation and maintenance of public sewer facilities.

Your Committee amended this resolution by deleting all references to a possible health hazard should the operational capacity of the Hawaii Kai sewage treatment plant and related systems not be maintained at federal and state standards.

Your Committee finds that no health hazard is imminent in the Hawaii Kai area.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 578, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 578, H.D. 1.

Signed by all members of the Committee except Representative Naito.

SCRep. 923-78 Water, Land Use, Development and Hawaiian Homes on S.C.R. No. 2

The purpose of this concurrent resolution is to request the government of Hawaii, its officers and people to facilitate and encourage the development of closer ties between Alaska and Hawaii that will be of mutual social, economic and political benefit to both states. Recognizing the many similarities and problems the State shares with Alaska, the State of Hawaii would like to extend and develop a warm friendship and foster interactions between the governments and peoples of both states that will be of mutual interest as well.

Your Committee believes that an exchange and interaction of ideas, services and products between Alaska and Hawaii will assist in resolving some of the problems which affect both states and foster similar relationships between other state of the Union and Hawaii or Alaska.

In addition, there are complimentary differences in the natural resources, products, technologies and ideas of the two states that should be explored and exchanged. Further, means of facilitating communication and trade channels should be developed by the governments and private sectors of both states. Alaska and Hawaii, moreover, being the last two and only noncontiguous states in the Union and with sizable native populations, are exposed to many of the same elements and problems that are unique to both states.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of S.C.R. No. 2, S.D. 1 and recommends its adoption.

Signed by all members of the Committee except Representative Naito.

SCRep. 924-78 Education on h.R. No. 235

The purpose of this Resolution is to request the Department of Education to seek federal funds for the continuation of the "Follow Through" program.

Your Committee finds that "Follow Through" is a comprehensive program encompassing staff development, health care, instruction, and parent involvement components. The program involves students and parents in four areas and activities: 1) The Hawaii Policy Advisory Committee; 2) Personal Development; 3) Understanding The Classroom; and 4) Parents as "Instructors" At Home.

Your Committee further finds that the "Follow Through" program is in operation at Kaewai, Kaiulani, and Palolo Elementary Schools. Testimonies from the Department of Education and parents from Kaiulani and Palolo Elementary Schools were all in support of this program.

Your Committee has been informed that the Department of Education has submitted an

application to the U. S. Department of Health, Education and Welfare for continued funding of this program for the 1978-79 school year. Therefore, your Committee feels that this body should express its support of this action and urge the U. S. Department of Health, Education and Welfare to act favorably on this matter.

Your Committee has amended this Resolution to transmit a certified copy of this Resolution to the Director of the U. S. Department of Health, Education, and Welfare.

Your Committee is in accord with the intent and purpose of H.R. No. 235, as amended herein, and recommends that it be adopted in the form attached hereto as H.R. No. 235, H.D. 1.

Signed by all members of the Committee.

SCRep. 925-78 Education on H.C.R. No. 44

The purpose of this Concurrent Resolution is to request the Department of Education to seek federal funds for the continuation of the "Follow Through" program.

Your Committee finds that "Follow Through" is a comprehensive program encompassing staff development, health care, instruction, and parent involvement components. The program involves students and parents in four areas and activities: 1) The Hawaii Policy Advisory Committee; 2) Personal Development; 3) Understanding The Classroom; and 4) Parents as "Instructors" At Home.

Your Committee further finds that the "Follow Through" program is in operation at Kaewai, Kaiulani, and Palolo Elementary Schools. Testimonies from the Department of Education and parents from Kaiulani and Palolo Elementary Schools were all in support of this program.

Your Committee has been informed that the Department of Education has submitted an application to the U. S. Department of Health, Education and Welfare for continued funding of this program for the 1978-79 school year. Therefore, your Committee feels that this body should express its support of this action and urge the U. S. Department of Health, Education and Welfare to act favorably on this matter.

Your Committee has amended this Concurrent Resolution to transmit a certified copy of this Concurrent Resolution to the Director of the U. S. Department of Health, Education, and Welfare.

Your Committee is in accord with the intent and purpose of H.C.R. No. 44, as amended herein, and recommends that it be adopted in the form attached hereto as H.C.R. No. 44, H.D. 1.

Signed by all members of the Committee.

SCRep. 926-78 Youth and Elderly Affairs and Education on H.R. No. 515

The purpose of this resolution is to draw attention to the special talents, skills, and attendant needs of Hawaii's gifted and talented youth by requesting the Governor to proclaim the week of April 16-23, 1978 as "Hawaii Gifted and Talented Children's Week."

Your Committees find that there is a substantial number of gifted and talented youth throughout the State who require, if they are to achieve their fullest potential and development as individuals and contributing members of society, special programs and greater educational resources which will provide them with a broader range of experiences and avenues through which they may channel and continue to develop their special skills and talents.

Your Committees further find that heretofore the general public has been generally uninformed and unaware of the particular needs of these children, as well as their extraordinary abilities which certainly represent a very valuable but relatively untapped resource.

Your Committees are in agreement that it is necessary and desirable to cultivate and develop throughout the general public an awareness of the skills and talents possessed by Hawaii's gifted youths, and their specific needs in terms of educational programs and resources. Your Committees further agree that designating the week of April 16-23, 1978 as "Hawaii Gifted and Talented Children's Week", represents a positive first step

in this direction and are in support of such an endeavor.

Your Committee on Youth and Elderly Affairs and your Committee on Education concur with the intent and purpose of H.R. No. 515 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 927-78 Youth and Elderly Affairs and Education on H.C.R. No. 106

The purpose of this concurrent resolution is to draw attention to the special talents, skills, and attendant needs of Hawaii's gifted and talented youth by requesting the Governor to proclaim the week of April 16-23, 1978 as "Hawaii Gifted and Talented Children's Week."

Your Committees find that there is a substantial number of gifted and talented youth throughout the State who require, if they are to achieve their fullest potential and development as individuals and contributing members of society, special programs and greater educational resources which will provide them with a broader range of experiences and avenues through which they may channel and continue to develop their special skills and talents.

Your Committees further find that heretofore the general public has been generally uninformed and unaware of the particular needs of these children, as well as their extraordinary abilities which certainly represent a very valuable but relatively untapped resource.

Your Committees are in agreement that it is necessary and desirable to cultivate and develop throughout the general public an awareness of the skills and talents possessed by Hawaii's gifted youths, and their specific needs in terms of educational programs and resources. Your Committees further agree that designating the week of April 16-23, 1978 as "Hawaii Gifted and Talented Children's Week", represents a positive first step in this direction and are in support of such an endeavor.

Your Committee on Youth and Elderly Affairs and your Committee on Education concur with the intent and purpose of H.C.R. No. 106 and recommends its adoption.

Signed by all members of the Committees.

SCRep. 928-78 Finance on H.R. No. 269

The purpose of this resolution is to request Hawaii's congressional delegation and the Federal Internal Revenue Service to work for the immediate repeal of the federal excise tax on telephone service.

Presently, there is a 4 per cent federal excise tax on telephone service paid directly by customers with the telephone company serving as a tax collector for the federal government. This tax is levied only on telephone utility service and not for water, gas, or electricity.

The telephone industry nationally has sought to have this levy removed from its customers' bills and to that end has supported legislation to eliminate this tax. As a result of the industry's campaign, the tax is now slated to be eliminated by year-end 1981.

Your Committee agrees that notwithstanding the 1981 termination date, immediate action to repeal the tax is appropriate.

Your Committee on Finance is in accord with the intent and purpose of H.R. No. 269 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 929-78 Finance on H.R. No. 595

The purpose of this resolution is to request a review and seeking of solutions to certain constitutional issues in taxation and finance.

This resolution is addressed to the president and chairperson of the committee having jurisdiction over taxation and finance to give consideration to seven important issues that shall be of concern in the forthcoming 1978 Constitutional Convention:

- (1) Executive restrictions on legislative appropriations;
- (2) Extraordinary two-thirds majority to authorize bond issues;
- (3) Cancellation of authorized but unissued debt;
- (4) Constitutional debt limit formula;
- (5) Income tax conformity to Federal Internal Revenue Code;
- (6) Conduct of post-audits;
- (7) Special purpose bonds.

Your Committee agrees that these issues are appropriate for convention review, and in addition, your Committee recommends that two other issues be included:

- (8) County debt limit;
- (9) State spending limitation.

This resolution is accordingly amended to include these two issues.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 595, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 595, H.D. 1.

Signed by all members of the Committee.

SCRep. 930-78 Finance on H.R. No. 466

The purpose of this resolution is to urge Hawaii's congressional delegation to support the State's efforts to have the United States Department of Agriculture establish and operate a mass rearing laboratory to eradicate the three species of fruit flies from Hawaii.

The Department of Agriculture has long been concerned with the fruit fly problem and places high priority for eradication of the three species of fruit flies from Hawaii. Presence of these pests in Hawaii has seriously limited export of agricultural produce from Hawaii. Elimination of the three species of fruit flies in Hawaii should stimulate increased production of susceptible commodities and encourage new agricultural enterprises.

Establishment of a mass fruit fly rearing facility and eradication of the fruit flies in Hawaii would be immensely beneficial to the agriculture of the United States.

The mass rearing fruit fly laboratory at the University of Hawaii, a cooperative effort between the United States Department of Agriculture and the College of Tropical Agriculture is grossly inadequate with respect to the production of specimen flies for "eradication purposes". The inadequacy stems from the fact that "eradication operations" require the production of a minimum of 300 million specimen flies a week, while the production capability is presently limited to a maximum of 30 million specimen flies a week.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 466 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 931-78 Finance on H.C.R. No. 93

The purpose of this concurrent resolution is to urge Hawaii's congressional delegation to support the State's efforts to have the United States Department of Agriculture establish and operate a mass rearing laboratory to eradicate the three species of fruit flies from Hawaii.

The Department of Agriculture has long been concerned with the fruit fly problem and places high priority for eradication of the three species of fruit flies from Hawaii. Presence of these pests in Hawaii has seriously limited export of agricultural produce from Hawaii. Elimination of the three species of fruit flies in Hawaii should stimulate increased production of susceptible commodities and encourage new agricultural enterprises.

Establishment of a mass fruit fly rearing facility and eradication of the fruit flies in Hawaii would be immensely beneficial to the agriculture of the United States.

The mass rearing fruit fly laboratory at the University of Hawaii, a cooperative effort between the United States Department of Agriculture and the College of Tropical Agriculture, is grossly inadequate with respect to the production of specimen flies for "eradication purposes". The inadequacy stems from the fact that "eradication operations" require the production of a minimum of 300 million specimen flies a week, while the production capability is presently limited to a maximum of 30 million specimen flies a week.

Your Committee on Finance concurs with the intent and purpose of H.C.R. No. 93 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 932-78 Finance on H.R. No. 437

The purpose of this resolution is to request the Department of Planning and Economic Development and the Department of Budget and Finance to jointly study, propose, and if possible, implement a state economic planning system as a part of the overall Hawaii State Management Information System (HSMIS). A progress report of the subsystem's implementation is to be submitted to the Legislature at least twenty days prior to the convening of the 1979 Regular Session.

There is a need for the standardization of definitions, greater coordination and elimination of duplication in the collection and processing of data used by various public and private agencies. An economic planning system could be designed eventually to incorporate data in a uniform method from many sources, including state departments, county agencies, the federal government, and the private sector. The comprehensive data base could then be used to monitor current economic conditions and forecast future needs.

Your Committee agrees that an effective data-gathering and monitoring system could be used to ensure that the State is proceeding in the right direction in achieving State objectives and policies, in reassessing State actions, and in anticipating State needs.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 437 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 933-78 Finance on H.C.R. No. 88

The purpose of this concurrent resolution is to request the Department of Planning and Economic Development and the Department of Budget and Finance to jointly study, propose, and if possible, implement a state economic planning system as a part of the overall Hawaii State Management Information System (HSMIS). A progress report of the subsystem's implementation is to be submitted to the Legislature at least twenty days prior to the convening of the 1979 Regular Session.

There is a need for the standardization of definitions, greater coordination and elimination of duplication in the collection and processing of data used by various public and private agencies. An economic planning system could be designed eventually to incorporate data in a uniform method from many sources, including state departments, county agencies, the federal government, and the private sector. The comprehensive data base could then be used to monitor current economic conditions and forecast future needs.

Your Committee agrees that an effective data-gathering and monitoring system could be used to ensure that the State is proceeding in the right direction in achieving State objectives and policies, in reassessing State actions, and in anticipating State needs.

Your Committee on Finance concurs with the intent and purpose of H.C.R. No. 88 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 934-78 Finance on H.C.R. No. 88

The purpose of this resolution is to request the United States Congress to enact appropriate legislation which will transfer total responsibility for administering and financing public assistance programs to the federal government.

Poverty is a national domestic problem warranting full scale assumption of responsibility by the federal government.

The responsibility for administering and financing public assistance programs is presently shared by the state and federal governments. This arrangement has produced wide variations among the states and local jurisdictions in the quality and levels of public assistance programs provided, due to the multiplicity of standards, regulations and procedures applying to the administration of these programs.

There are obvious wide-spread disparities in the standards, eligibility requirements, and system for administering public assistance among the 50 states. Additionally, the financial responsibilities borne by the states are inequitably distributed.

Total federal responsibility for financing and administering public assistance would be desirable to 1) establish uniform, national public assistance standards to bring about a semblance of equity of benefits; 2) implement uniform administrative standards to promote efficiency and economy in the mechanism for delivery of services; and 3) release of state funds for other needed human services.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 471 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 935-78 Finance on H.C.R. No. 95

The purpose of this concurrent resolution is to request the United States Congress to enact appropriate legislation which will transfer total responsibility for administering and financing public assistance programs to the federal government.

Poverty is a national domestic problem warranting full scale assumption of responsibility by the federal government.

The responsibility for administering and financing public assistance programs is presently shared by the state and federal governments. This arrangement has produced wide variations among the states and local jurisdictions in the quality and levels of public assistance programs provided, due to the multiplicity of standards, regulations and procedures applying to the administration of these programs.

There are obvious wide-spread disparities in the standards, eligibility requirements, and system for administering public assistance among the 50 states. Additionally, the financial responsibilities borne by the states are inequitably distributed.

Total federal responsibility for financing and administering public assistance would be desirable to 1) establish uniform, national public assistance standards to bring about a semblance of equity of benefits; 2) implement uniform administrative standards to promote efficiency and economy in the mechanism for delivery of services; and 3) release of state funds for other needed human services.

Your Committee on Finance concurs with the intent and purpose of H.C.R. No. 95 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 936-78 Youth and Elderly Affairs on H.R. No. 487

The purpose of this resolution is to request television broadcasters in the State of Hawaii to adopt and adhere to policies of programming which will improve the quality of children's television and advertising thereon, consistent with the National Association of Broadcasters' Television Code, and with particular regard to the impact of such advertising on the nutrition of children.

Your Committee finds that in our society, television has come to have a powerful and

increasingly controversial influence on the behavior of children. Whether, on balance, the impact of T.V. has been positive or negative has not been clearly established, however, in relationship to diet the influence is rather obviously in a direction which even the most conservative nutritionist would consider to be potentially deleterious to health.

According to testimony presented before this Committee by the Hawaii Dietetic Association, a major portion of the commercial advertising on children's television programs concentrates on food items of highly sweetened content and relatively low nutritional value. Since 1947, Americans have consumed 21% less dairy products, 25% fewer vegetables, and 25% less fruit. Conversely they now consume 80% more soft drinks, 85% more potato chips, 70% more pastries, cake and cookies, and 25% more refined sugar. This change in diet has resulted in a marked increase in the incidence of tooth decay, obesity, and other related diseases including heart disease, our State's number one cause of death.

Your Committee finds that by the time a child reaches 17 years of age on the average that child will have spent 15,000 hours in front of the T.V. and 11,000 hours in school; more time than he will have spent on any activity except sleep. He will have been exposed to 350,000 T.V. ads of which 70-80% will be for foods high in sugar, fat, saturated fat, cholesterol and salt. These altered food choices as a result of T.V. advertising, could potentially have far reaching and detrimental effects on the health of our children.

A study by the Surgeon General commissioned in 1972, indicated that children request products seen on T.V. more frequently than they ask for other products. These commercials are neatly packaged to make products look bigger, brighter, sexier, more delicious and more fun. Children are given the impression that as a result of consuming a given product they will achieve instant energy, super strength, and the ability to do extraordinary tasks. T.V.'s aim is to sell not teach, and consequently concepts of overall health, nutrition, and maintaining fitness are ignored.

Given the fact that T.V. has such a sizable influence on children, and that it teaches patterns of consumption and nutrition which may be detrimental to health and which may persist when the child is an adult, your Committee is in agreement that attention to this area is in order. Your Committee further agrees that while adoption of H.R. No. 487 will not completely resolve the issue underlying the T.V. diet controversy, it represents a positive first step in the right direction. It is the understanding of this Committee that adherence to the National Association of Broadcasters Policies by the respective networks and their affiliates is a strictly voluntary matter, however, it is the hope of this Committee that through H.R. No. 487 these networks may be encouraged to adopt these policies, especially with regard to children's television and nutrition.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 487 and recommends that it be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee.

SCRep. 937-78

Youth and Elderly Affairs on H.C.R. No. 98

The purpose of this concurrent resolution is to request television broadcasters in the State of Hawaii to adopt and adhere to policies of programming which will improve the quality of children's television and advertising thereon, consistent with the National Association of Broadcasters' Television Code, and with particular regard to the impact of such advertising on the nutrition of children.

Your Committee finds that in our society, television has come to have a powerful and increasingly controversial influence on the behavior of children. Whether, on balance, the impact of T.V. has been positive or negative has not been clearly established, however, in relationship to diet the influence is rather obviously in a direction which even the most conservative nutritionist would consider to be potentially deleterious to health.

According to testimony presented before this Committee by the Hawaii Dietetic Association, a major portion of the commercial advertising on children's television programs concentrates on food items of highly sweetened content and relatively low nutritional value. Since 1947, Americans have consumed 21% less dairy products, 25% fewer vegetables, and 25% less fruit. Conversely they now consume 80% more soft drinks, 85% more potato chips, 70% more pastries, cake and cookies, and 25% more refined sugar. This change in diet has resulted in a marked increase in the incidence of tooth decay, obesity, and other related diseases including heart disease, our State's number one cause of death.

Your Committee finds that by the time a child reaches 17 years of age on the average that child will have spent 15,000 hours in front of the T.V. and 11,000 hours in school; more time than he will have spent on any activity except sleep. He will have been exposed to 350,000 T.V. ads of which 70-80% will be for foods high in sugar, fat, saturated fat, cholesterol and salt. These altered food choices as a result of T.V. advertising, could potentially have far reaching and detrimental effects on the health of our children.

A study by the Surgeon General commissioned in 1972, indicated that children request products seen on T.V. more frequently than they ask for other products. These commercials are neatly packaged to make products look bigger, brighter, sexier, more delicious and more fun. Children are given the impression that as a result of consuming a given product they will achieve instant energy, super strength, and the ability to do extraordinary tasks. T.V.'s aim is to sell not teach, and consequently concepts of overall health, nutrition, and maintaining fitness are ignored.

Given the fact that T.V. has such a sizable influence on children, and that it teaches patterns of consumption and nutrition which may be detrimental to health and which may persist when the child is an adult, your Committee is in agreement that attention to this area is in order. Your Committee further agrees that while adoption of H.C.R. No. 98 will not completely resolve the issue underlying the T.V. diet controversy, it represents a positive first step in the right direction. It is the understanding of this Committee that adherence to the National Association of Broadcasters Policies by the respective networks and their affiliates is a strictly voluntary matter, however, it is the hope of this Committee that through H.C.R. No. 98 these networks may be encouraged to adopt these policies, especially with regard to children's television and nutrition.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.C.R. No. 98 and recommends that it be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee.

SCRep. 938-78 Ocean and Marine Resources on H.R. No. 338

The purpose of this completely revised resolution is to request the Department of Land and Natural Resources to conduct public hearings throughout the State to explore methods of meeting the needs of both recreational and commercial fishermen.

Your Committee finds that there is a growing competition between commercial and recreational fishermen. This is partly a result of the increased numbers of fishermen, as well as the apparent depletion of the varieties and numbers of fish. The role of pollution also needs to be explored.

The Department of Land and Natural Resources has been exploring this problem for some time, primarily through the development of the Kapuku Plan. Recently your Committee held a special hearing on Kauai to determine a management strategy for several bays where commercial and recreational fishing appear to be in competition.

Your Committee has had several pieces of proposed legislation this year that deal with this problem, but most of these have dealt with management on a case by case basis. Whereas it would be unwise to treat all fishing areas the same, your Committee feels that the department should begin to develop a more comprehensive understanding of the problem.

Your Committee has deleted most of the original resolution, which dealt with the use of gill nets, and substituted language that addressed the problem as a whole, with an emphasis on accommodating the needs of all groups.

Your Committee on Ocean and Marine Resources concurs with the intent and purpose of H.R. No. 338, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 338, H.D. 1.

Signed by all members of the Committee.

SCRep. 939-78 Health, Public Assistance and Human Services and Youth and Elderly Affairs on H.R. No. 570.

The purpose of this resolution requests that an interim committee consisting of members from the House Committees on Health, Public Assistance and Human Services, and Youth

and Elderly Affairs review the criteria employed by the state and federal agencies in funding the services of private health care agencies.

Your Committees recognize that due to increasing health care costs, criteria should be formulated to provide a guide line toward funding private agencies to insure adequate delivery of health services. If health costs continue to increase, agencies may eventually be required to apply for a certificate of need.

Your Committees on Health, Public Assistance and Human Services, and Youth and Elderly Affairs concur with the intent and purpose of H.R. No. 570 and recommend that it be referred to the Committee on Legislative Management.

Signed by all members of the Committees.

SCRep. 940-78 Health on H.R. No. 571

The purpose of this resolution requests that an interim committee consisting of members from the House and Senate Health Committees review the County/State Hospital System with emphasis on neighbor island county/state hospitals.

The review shall include staffing procedures and criterias used by the Department of Budget and Finance in assessing hospital personnel needs; budget procedures used to prepare hospital budget requests in appropriating and allocating funds for hospital operation and expansion; and matters relating to the interaction and coordination with the University of Hawaii and private community health care organizations with respect to training and continuing education of hospital personnel.

Your Committee feels that these criteria are necessary to continue and upgrade quality care for the safety, health, and well-being for the people of the community.

Testimonies from Department of Health have indicated that the Department of Health and Budget and Finance have jointly reviewed hospital nurse staffing requirements. They further indicate that there is a need to determine the ancillary services staffing standard.

Your Committee on Health concurs with the intent and purpose of H.R. No. 571 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee.

SCRep. 941-78 Health on H.C.R. No. 136

The purpose of this concurrent resolution requests that an interim committee consisting of members from the House and Senate Health Committees review the County/State Hospital System with emphasis on neighbor island county/state hospitals.

The review shall include staffing procedures and criterias used by the Department of Budget and Finance in assessing hospital personnel needs; budget procedures used to prepare hospital budget requests in appropriating and allocating funds for hospital operation and expansion; and matters relating to the interaction and coordination with the University of Hawaii and private community health care organizations with respect to training and continuing education of hospital personnel.

Your Committee feels that these criteria are necessary to continue and upgrade quality care for the safety, health, and well-being for the people of the community.

Testimonies from Department of Health have indicated that the Department of Health and Budget and Finance have jointly reviewed hospital nurse staffing requirements. They further indicate that there is a need to determine the ancillary services staffing standard.

Your Committee on Health concurs with the intent and purpose of H.C.R. No. 136 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee.

SCRep. 942-78 Health on H.R. No. 522

The purpose of this resolution is to request the Department of Health to develop recommendations for implementing a mandatory sanitation training course and certification program to reduce the high incidence of human Salmonellosis in Hawaii.

Your Committee is in agreement that there is a need for sanitation training and certification in the food service industry nationally. This need has been recognized by the Food and Drug Administration, National Restaurant Association, National Institute for the Food Service Industry, and here in Hawaii by the Hawaii Restaurant Association and Hawaii Food Industry Association.

Your Committee recognizes that the Department of Health will need the full cooperation and assistance of the related organizations and agencies named in the resolution to attain the desired course and program stated in this resolution.

Oral testimony presented at the hearing indicated that the public should also be educated to reduce the incidence of human Salmonellosis at home. Your Committee, therefore, has amended this resolution to include "public educational program" in addition to the mandatory sanitation training course and certification program.

Your Committee on Health concurs with the intent and purpose of H.R. No. 522, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 522, H.D. 1.

Signed by all members of the Committee.

SCRep. 943-78 Health on H.R. No. 434

The purpose of this resolution is to request the Departments of Health and Education to take certain appropriate measures to reduce the incidence of serious injury or death due to food-choking.

Your Committee is in agreement that the Heimlich Maneuver is simple and effective, and the display of Heimlich Maneuver posters at food establishments and school cafeterias is worthwhile.

Your Committee finds that the Heimlich Maneuver is being endorsed and taught by health departments and medical societies across the nation. Even the prestigious American Medical Association and the White House physicians have endorsed it. Additionally, the February 1978 issue of Reader's Digest Magazine points out that over 20 states have passed legislation requiring eating establishments to post directions on how to save the life of a person who is choking on food.

Your Committee has amended the seventh paragraph by adding a clause to clarify when the 1,400 lives have been saved.

Your Committee has also amended the eleventh and twelfth paragraphs to address the need for training people in the technique of the Heimlich Maneuver.

Your Committee on Health concurs with the intent and purpose of H.R. No. 434, as amended herein, and recommends that it be referred to the Committee on Education, in the form attached hereto as H.R. No. 434, H.D. 1.

Signed by all members of the Committee.

SCRep. 944-78 Public Employment and Government Operations and Energy and
Transportation on S.C.R. No. 65

The purpose of this resolution is to request the State Department of Transportation to study the feasibility of transferring its real property acquisition functions to either the Department of Accounting and General Services or to the Department of Land and Natural Resources.

Your Committees find that presently, the Department of Land and Natural Resources is charged with the responsibility of acquiring all real property required by the State for public purposes, except where rules governing the use of federal funds provide for acquisition by the department or agency that will actually use the land. This has resulted in performance of land acquisition functions by two State agencies: the Division of Land Management of the Department of Land and Natural Resources and the Rights-of-Way Branch

of the Department of Transportation, which has responsibility for acquiring real property for highway purposes.

Testimony received by your Committees indicated that acquisition of real property for highway purposes is decreasing, however, the Department of Transportation needs to maintain a sufficient workforce to comply with Federal Aid highway rules. Testimony further revealed that the Department has a substantially staffed acquisition unit as compared to the Department of Land and Natural Resources which has a small unit. The Department of Accounting and General Services has no such unit but has general responsibility for the building and maintenance of improvements on public properties.

The intent of this resolution is to determine the feasibility and desirability of incorporating the real property acquisition function of the Department of Transportation within the Department of Accounting and General Services or the Department of Land and Natural Resources so as to eliminate functional duplication and to achieve greater efficiency in government operations.

Your Committees have amended this resolution to request that the Department of Transportation study be conducted in consultation with the Departments of Land and Natural Resources and Accounting and General Services.

Your Committees on Public Employment and Government Operations and Energy and Transportation concur with the intent and purpose of S.C.R. No. 65, S.D. 1, as amended herein, and recommend that it be referred to the Committee on Water, Land Use Development and Hawaiian Homes in the form attached hereto as S.C.R. No. 65, S.D. 1, H.D. 1.

Signed by all members of the Committees.

SCRep. 945-78 Public Employment and Government Operations on H.R. No. 535

The purpose of this resolution is to request the Administrative Director of the State of Hawaii to review the feasibility of establishing a Hawaii Career Executive Service and Management Compensation Plan as recommended by the Commission on the Organization of Government.

Your Committee finds that in 1976, the Commission on the Organization of Government, as part of its investigations, considered issues of productivity and responsiveness in the career middle-management ranks of government service. A special concern in this regard was the development of methods to increase productivity and to effectively measure that productivity.

As stated in its 1977 report to the Legislature, the Commission found that clarification of performance expectations, greater authority and accountability, and mutual goal setting by administrators and program managers can lead to increased productivity and efficiency in government operations. The Commission also determined that methods need to be devised for relating performance to agreed-upon measurable objectives, evaluating achievements, and for determining corrective strategies when performance fails to achieve objectives.

On the basis of these observations, the Commission recommended the adoption of a Hawaii Career Executive Service and Management Compensation Plan. Essentially, the Plan entails performance appraisal of managers in the career executive service and the granting of salary increases based only upon performance. The intent of this resolution is to request the State's Administrative Director to conduct an initial examination of the concepts embodied in the Plan and to determine the feasibility and desirability of establishing such a plan for the State of Hawaii. Testimony received by your Committee was supportive of both the career executive service concept and the study being requested.

Your Committee on Public Employment and Government Operations concurs with the intent and purpose of H.R. No. 535 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 946-78 Public Employment and Government Operations on H.C.R. No. 115

The purpose of this resolution is to request the Administrative Director of the State of Hawaii to review the feasibility of establishing a Hawaii Career Executive Service and

Management Compensation Plan as recommended by the Commission on the Organization of Government.

Your Committee finds that in 1976, the Commission on the Organization of Government, as part of its investigations, considered issues of productivity and responsiveness in the career middle-management ranks of government service. A special concern in this regard was the development of methods to increase productivity and to effectively measure that productivity.

As stated in its 1977 report to the Legislature, the Commission found that clarification of performance expectations, greater authority and accountability, and mutual goal setting by administrators and program managers can lead to increased productivity and efficiency in government operations. The Commission also determined that methods need to be devised for relating performance to agreed-upon measurable objectives, evaluating achievements, and for determining corrective strategies when performance fails to achieve objectives.

On the basis of these observations, the Commission recommended the adoption of a Hawaii Career Executive Service and Management Compensation Plan. Essentially, the Plan entails performance appraisal of managers in the career executive service and the granting of salary increases based only upon performance. The intent of this resolution is to request the State's Administrative Director to conduct an initial examination of the concepts embodied in the Plan and to determine the feasibility and desirability of establishing such a plan for the State of Hawaii. Testimony received by your Committee was supportive of both the career executive service concept and the study being requested.

Your Committee on Public Employment and Government Operations concurs with the intent and purpose of H.C.R. No. 115 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 947-78 Public Employment and Government Operations on H.R. No. 414

The purpose of this resolution is to request the Department of Health, in consultation with the Employees' Retirement System, to conduct a study on the feasibility of re-employing patient residents of Kalaupapa Settlement who are retirees under Section 326-23, Hawaii Revised Statutes, to perform maintenance and service functions necessary for the well-being of the settlement community.

Testimony heard by your Committee indicated that the Department of Health has depended upon the availability of a patient labor force to perform many of the maintenance and service functions required at Kalaupapa Settlement. However, due to the treatment of newly discovered leprosy cases on an outpatient basis, the number of patient residents at Kalaupapa is decreasing. As the isolation of Kalaupapa adds to the difficulty of recruiting non-patient employees, the most practical solution to at least part of the Settlement's staffing problems appears to be tapping of the manpower available among the retired patient residents. Thus, the intent of this resolution is to request an investigation of staffing alternatives available to the Department of Health, and to inquire into the feasibility of hiring retirees from among the resident patients of Kalaupapa without such retirees incurring any loss of pensions or other benefits. Although these patient retirees are not beneficiaries of the Employees' Retirement System, the Retirement System testified in support of assisting the Department of Health in conducting the study.

Your Committee on Public Employment and Government Operations concurs with the intent and purpose of H.R. No. 414 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 948-78 Housing on H.R. No. 34 (Majority)

Your Committee has amended the title of this resolution to read as follows: "HOUSE RESOLUTION REQUESTING THE HOUSE COMMITTEE ON WATER, LAND USE, DEVELOPMENT, AND HAWAIIAN HOMES, AND THE HOUSE COMMITTEE ON HOUSING TO REVIEW THE PARK DEDICATION STATUTE, THE COUNTY PARK DEDICATION ORDINANCES, AND THE RULES AND REGULATIONS IMPLEMENTING THE COUNTY PARK DEDICATION ORDINANCES." As the park development statute came about as a direct result of the increase in the development of housing in Hawaii, your Committee on Housing feels it is appropriate that

it be included in this review process requested by this resolution.

The purpose of this resolution is to request the various counties to reevaluate their duties under Section 46-6, Hawaii Revised Statutes, so as to ensure that the park dedication statute is being implemented equitably and efficiently in each county in the State.

Your Committee believes the present park dedication statute is in need of review and possible amendment to ensure that it is meeting its goal of establishing parks and recreational facilities in proportion to development and population growth. Your Committee also believes that the review should take into consideration the equitable application of the ordinances among and between the various counties.

Your Committee has amended this resolution to provide that the counties report to the Committees on Water, Land Use, Development, and Hawaiian Homes, and Housing, and that the committees hold a joint hearing during the interim and submit their findings and conclusions to the Legislature 20 days prior to the convening of the Tenth Legislature.

Your Committee on Housing is in accord with the intent and purpose of H.R. 34, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Legislative Management in the form attached hereto as H.R. 34, H.D. 2.

Signed by all members of the Committee except Representative Baker.
(Representative Sutton did not concur.)

SCRep. 949-78 Education on H.R. No. 108

The purpose of this Resolution is to request the Superintendent of Education to establish a committee to: 1) investigate how well the Department of Education's implementation of Individualized Education Program (IEP) plans for handicapped students is meeting federal mandates and 2) report the results of its findings to the House before the end of its Regular Session of 1978.

Your Committee finds that the Education for Handicapped Children Act, Public Law 94-142, requires an individualized education program for each handicapped child. This program, IEP, shall be a written statement that includes: 1) the present levels of educational performance of such child; 2) annual goals, including short-term instructional objectives; 3) the specific educational services to be provided to such child, and the extent to which a child will be able to participate in regular educational programs; 4) the projected date for initiation and anticipated durations of such services; and 5) appropriate objective criteria and evaluation procedures and schedules for determining on at least an annual basis whether instructional objectives are being achieved.

Your Committee has heard testimony from the Department of Education on its attempt to meet the requirements of the federal government. Your Committee has found that the DOE has gathered data on the implementation of IEP plans through reports from districts; on-site inspection of randomly selected IEPs; and questionnaires completed by a random sample of administrators, special education teachers, special services personnel, parents and students. The DOE's IEP Task Force has reviewed the data on IEP implementation and has found that 92% of the IEP plans have been completed. The remaining IEP plans are in the process of being developed and finalized. These include newly identified students and cases where problems have been encountered in scheduling meeting with parents.

Your Committee has also heard testimony from the Hawaii State Teachers Association (HSTA) that special education teachers are having a difficult time in complying with the mandate of P. L. 94-142 as it relates to preparing for and carrying out the Individual Education Programs for youngsters. According to the HSTA, much of the problem is centered on the fact that the U. S. Office of Education has changed its rules and procedures pursuant to P. L. 94-142 on a number of occasions. This in turn has caused confusion at all levels within the Department of Education.

Therefore, your Committee finds that the IEP implementation plans should be looked into further and that an interim sub-committee should be appointed to inform the House of Representatives on this matter. Your Committee feels that direct legislative participation is essential in order to ensure the successful implementation of IEPs; therefore, this Resolution has been amended to establish an interim sub-committee to investigate how well the DOE's implementation of IEP plans is meeting the federal requirements.

Your Committee on Education is in accord with the intent and purpose of H.R. No. 108, as amended herein, and recommends that it be adopted in the form attached hereto as

H.R. No. 108, H.D. 1.

Signed by all members of the Committee.

SCRep. 950-78 Education on H.R. No. 552

The purpose of this Resolution is to request the Department of Education to report on the status of the adult education program and to include in the report an examination of the existing compensation plans for adult education teachers, including employee benefits. This report is to be submitted to the Legislature twenty days prior to the convening of the 1979 Legislature Session.

Your Committee finds that the Adult Education Program offers noncollege level courses of the following types: (1) basic education in reading, writing, and arithmetic for persons who have completed less than eight years of schooling; (2) naturalization training for aliens who desire assistance in acquiring U. S. Citizenship; (3) high school completion training for those who wish to refresh or continue their education for the purposes of earning a high school diploma; (4) homemaking and parent education which includes child care, first aid, food and nutrition, and other instruction in basic family life; and (5) cultural and recreational education for people seeking to enrich and broaden their cultural and leisure-time interests.

Your Committee feels that the Department of Education is responsible for the development of an appropriate curriculum and the establishment of equitable work-compensation standards for the Adult Education Program.

Your Committee has heard testimony from the Department of Education and has learned that there has been no salary increase for the teaching personnel in Adult Education for the past 9 years.

Your Committee has further learned that the Department of Education is presently studying compensation plans and employee benefits for adult education school personnel and will be ready to report to the Legislature 20 days prior to the convening of the 1979 Session.

Your Committee on Education concurs with the intent and purpose of H.R. No. 552 and recommends that it be referred to the Committee on Finance for further consideration.

Signed by all members of the Committee.

SCRep. 951-78 Ecology and Environmental Protection and Water, Land Use Development
and Hawaiian Homes on H.R. No. 353

The purpose of this resolution is to request that the Department of Planning and Economic Development study the economic impact of a mandatory minimum deposit law on the State of Hawaii.

Your Committees find that the deposit-and-return system, proposed to alleviate the problem of litter and waste disposal, will have an appreciable impact on certain commercial enterprises. Your Committees find that there is much conflicting information on the effects of a deposit-and-return system.

Your Committees have amended this resolution by extending the first "RESOLVED" clause to include further information on the effect of deposit-and-return legislation on private enterprise.

Your Committee on Ecology and Environmental Protection and your Committee on Water, Land Use Development and Hawaiian Homes concur with the intent and purpose of H.R. No. 353, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 353, H.D. 1.

Signed by all members of the Committee except Representative Caldito.

SCRep. 952-78 Ecology and Environmental Protection and Water, Land Use Development
and Hawaiian Homes on H.C.R. No. 72

The purpose of this concurrent resolution is to request that the Department of Planning and Economic Development study the economic impact of a mandatory minimum deposit

law on the State of Hawaii.

Your Committees find that the deposit-and-return system, proposed to alleviate the problem of litter and waste disposal, will have an appreciable impact on certain commercial enterprises. Your Committees find that there is much conflicting information on the effects of a deposit-and-return system.

Your Committees have amended this concurrent resolution by extending the first "RESOLVED" clause to include further information on the effect of deposit-and-return legislation on private enterprise.

Your Committee on Ecology and Environmental Protection and your Committee on Water, Land Use Development and Hawaiian Homes concur with the intent and purpose of H.C.R. No. 72, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 72, H.D. 1.

Signed by all members of the Committee except Representative Caldito.

SCRep. 953-78 Legislative Management

Informing the House that House Resolution Nos. 640 to 646 and Standing Committee Report Nos. 892-78 to 918-78, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 954-78 Judiciary on H.R. No. 156

The purpose of this resolution is to evaluate the statutes that relate to spouse abuse.

Since there is very little documented information and statistics on incidences of spouse abuse in the State, your Committee feels that the seriousness and extent of this problem warrant an evaluation of the effectiveness of the current law on spouse abuse.

Your Committee heard testimony from the Department of Social Services expressing its willingness to prepare a report of the findings and recommendations of those mentioned individuals and organizations, and to submit the said report to the legislature not less than twenty days prior to the convening of the Regular Session of 1979.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 156 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 955-78 Judiciary on H.R. No. 74

The purpose of this resolution is to encourage the Judiciary to report on its activities regarding guardianship matters.

Evidence indicates that statistics are needed for those agencies who deal with these matters so that assistance can be offered to persons who may need a guardianship of some duration. Also, this information would be useful in referring individuals who may need a guardian to the resources that are available.

Your Committee finds that the data received from this report could be a criteria for determinations in guardianship proceedings where there has been considerable confusion in the past.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 74 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 956-78 Judiciary on H.R. No. 497

The purpose of this resolution is to provide for an interim committee to study governmental tort liability between the adjournment of the Regular Session of 1978 and the convening

of the Regular Session of 1979.

Your Committee finds that because of the complexity of the subject matter involved, additional study and analysis is needed in the interim period so that constructive legislation may be proposed for the Regular Session of 1979.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 497 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee.

SCRep. 957-78 Judiciary on H.R. No. 505

The original purpose of this resolution is to request that the Department of Labor and Industrial Relations, in cooperation with other designated agencies, conduct a feasibility study on providing unemployment and disability benefits to victims of crimes, including its cost in implementation and impact on welfare and other social programs and report its findings and recommendations to the Legislature twenty days prior to the convening of the Regular Session of 1979.

Your Committee is concerned with the victims of criminal acts and with the financial hardship faced by the victim during the period in which he may be awaiting criminal injuries compensation. Because of the complexities involved in both unemployment and disability compensation laws and the need to ascertain the scope, nature and fiscal resources required to launch such a program, your Committee felt that such a study is necessary.

However, your Committee felt that the study be conducted by the Criminal Injuries Compensation Commission since it seems to be the more appropriate agency and since the Department of Labor and Industrial Relations expressed its reluctance. Thus, your Committee amended the resolution to reflect this change.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 505, as amended herein, and recommends that it be referred to the Committee on Employment Opportunities and Labor Relations, in the form attached hereto as H.R. No. 505, H.D. 1.

Signed by all members of the Committee.

SCRep. 958-78 Housing on H.R. No. 545

The purpose of this resolution is to request the Legislative Reference Bureau to examine the problems involved in converting residential leasehold multi-family dwellings to fee simple.

The multi-family dwelling is a structure comprised of more than one individually owned unit, such as a planned unit development, a cooperative, or a condominium. It is an increasingly popular form of home ownership in Hawaii. However, because most of these buildings are constructed on leased land, serious questions may arise as to the reciprocal rights and duties of the parties at the time the ground lease expires or when the lessees/home-owners seek to purchase the fee.

This study would request the Legislative Reference Bureau to study this problem in depth, and to include in its study the issues of (1) impairment of contract if the Legislature mandates leasehold to fee conversion, (2) the amount constituting just compensation for the value of the fee, (3) protection of the lessee's vested interest in the event of conversion, and (4) the problem of dealing with multiple owners, all of whom may not desire to purchase the fee, in a single structure. Other issues the LRB should investigate include whether or not different types of multi-family dwellings such as condominiums and cooperatives can be treated the same way, as different forms of ownership may be involved.

Your Committee believes that an in-depth study is essential if the Legislature is to take comprehensive corrective action in this area.

Your Committee on Housing is in accord with the intent and purpose of H.R. No. 545, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 959-78 Youth and Elderly Affairs on H.R. No. 539

The purpose of this resolution is to request the Legislative Reference Bureau, in cooperation with the Commission on Aging and the Manpower Training Office, to study the feasibility of establishing a permanent senior citizens activity center modeled after the Hawaii State Senior Center Program.

Your Committee finds that with regard to the issue of the senior center program on Oahu in general and a permanent senior citizen center for Kapahulu in specific there is a great deal of confusion and many questions which must be answered.

Testimony presented by the Kapahulu Senior Citizens Activity Center, a temporary program providing a wide range of services to the elderly residents of the area, and the Manpower Training Office of the University of Hawaii which operates the program through the use of funds obtained under the State Comprehensive Employee Training program seems to indicate not only the need for a feasibility study but also for the establishment of a permanent program.

The Kapahulu Senior Citizens Activity Center currently is the only senior citizen center program in the area and provides a wide range of educational and recreational services to approximately 300 senior citizens. Due to the lack of adequate physical facilities, however, it is impossible to accommodate any more senior citizens in the current program. It is also the only senior citizen center program in the State which provides these services on a daily basis.

Based on this information your Committee is inclined to agree that a permanent program certainly is desirable, however, testimony by the Honolulu Area Agency on Aging (HAAA), the organization responsible for planning and implementing senior center programs on Oahu, revealed that a senior center program for the Kapahulu area is not considered by them to be one of their "priority" projects.

When questioned further as to the criteria and evaluation process used to determine what areas should receive priority status for the establishment of multi-purpose senior center programs, and what the status of the current priority list is, the HAAA was unable to provide the requested information.

Your Committee finds that although the HAAA is charged with the responsibility for planning and implementing senior center programs as set forth in the report entitled, "Reviewing Existing Senior Center Systems in the State and State Policy on Senior Centers", which was developed by the Ad Hoc Committee on Senior Centers, and adopted by the Legislature by House Concurrent Resolution No. 132, it has not satisfactorily performed these responsibilities.

The report points out that "the shortcomings in the senior center program on Oahu largely stem from the lack of centralized planning in the City and County of Honolulu." The report further points out that "the neighbor islands do not suffer from such disjointed planning leadership... because their approach is one of cooperation, involving both public and private agencies."

According to the report there are at present 4 senior center programs on the island of Oahu which serve approximately 14,200 age 55 and over elderly. This means that the senior center programs are serving only 17% of the target population in Honolulu, estimated at 85,000. These 4 programs operate under different arrangements and administrations, each with its own target group and sets of priorities, and because of this are fragmented and lack coordination. More than 70,000 age 55 and over elderly on Oahu are not being served because of this.

Your Committee finds that this lack of centralized planning leadership in elderly affairs in the City and County of Honolulu has greatly hindered the development of senior center programs on Oahu. The Legislature has appropriated large sums of money for the purpose of establishing multi-purpose senior centers throughout Oahu, however, because of this lack of centralized planning, there has been little or no follow up to past appropriation and allocations made by the State for the construction of additional centers.

Your Committee finds, therefore, that the problem of multi-purpose senior center programs goes far beyond the feasibility of establishing such a program in Kapahulu. The problem seems to be the administration of the entire senior center program on Oahu. Unless we address the greater problem, solution of the Kapahulu issue will be inconsequential and of little import.

Your Committee therefore recommends that H.R. No. 539 be amended as follows:

1. Amend the existing title to read: "HOUSE RESOLUTION REQUESTING A DETAILED REPORT OF MULTI-PURPOSE SENIOR CENTERS AND PROGRAMS ON OAHU."

2. Request the Honolulu Area Agency on Aging to prepare a detailed report on their program for establishing multi-purpose senior centers and programs which is to include their "area plan", plan of priorities, the criteria and evaluation process utilized in the prioritizing process, their plans for the funding of these priority projects, and any other pertinent information pertaining to the organization and administration of their program, including specific recommendations, action programs, and problems encountered or anticipated.

3. Request the Honolulu Area Agency on Aging to submit its report to the Legislature twenty days prior to the convening of the Regular Session of 1979.

4. Delete all specific references to a permanent senior citizens activity center in Kapahulu.

Your Committee is in agreement that before specific proposals for the design and construction of multi-purpose senior centers can be considered, it is necessary that a comprehensive, operational countywide plan be developed.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.R. No. 539, as amended herein, and recommends that it be referred to Legislative Management in the form attached hereto as H.R. No. 539, H.D. 1.

Signed by all members of the Committee.

SCRep. 960-78 Youth and Elderly Affairs on H.C.R. No. 117

The purpose of this concurrent resolution is to request the Legislative Reference Bureau, in cooperation with the Commission on Aging and the Manpower Training Office, to study the feasibility of establishing a permanent senior citizens activity center modeled after the Hawaii State Senior Center Program.

Your Committee finds that with regard to the issue of the senior center program on Oahu in general and a permanent senior citizen center for Kapahulu in specific there is a great deal of confusion and many questions which must be answered.

Testimony presented by the Kapahulu Senior Citizens Activity Center, a temporary program providing a wide range of services to the elderly residents of the area, and the Manpower Training Office of the University of Hawaii which operates the program through the use of funds obtained under the State Comprehensive Employee Training program seems to indicate not only the need for a feasibility study but also for the establishment of a permanent program.

The Kapahulu Senior Citizens Activity Center currently is the only senior citizen center program in the area and provides a wide range of educational and recreational services to approximately 300 senior citizens. Due to the lack of adequate physical facilities, however, it is impossible to accommodate any more senior citizens in the current program. It is also the only senior citizen center program in the State which provides these services on a daily basis.

Based on this information your Committee is inclined to agree that a permanent program certainly is desirable, however, testimony by the Honolulu Area Agency on Aging (HAAA), the organization responsible for planning and implementing senior center programs on Oahu, revealed that a senior center program for the Kapahulu area is not considered by them to be one of their "priority" projects.

When questioned further as to the criteria and evaluation process used to determine what areas should receive priority status for the establishment of multi-purpose senior center programs, and what the status of the current priority list is, the HAAA was unable to provide the requested information.

Your Committee finds that although the HAAA is charged with the responsibility for planning and implementing senior center programs as set forth in the report entitled, "Reviewing Existing Senior Center Systems in the State and State Policy on Senior Centers",

which was developed by the Ad Hoc Committee on Senior Centers, and adopted by the Legislature by House Concurrent Resolution No. 132, it has not satisfactorily performed these responsibilities.

The report points out that "the shortcomings in the senior center program on Oahu largely stem from the lack of centralized planning in the City and County of Honolulu." The report further points out that "the neighbor islands do not suffer from such disjointed planning leadership... because their approach is one of cooperation, involving both public and private agencies."

According to the report there are at present 4 senior center programs on the island of Oahu which serve approximately 14,200 age 55 and over elderly. This means that the senior center programs are serving only 17% of the target population in Honolulu, estimated at 85,000. These 4 programs operate under different arrangements and administrations, each with its own target group and sets of priorities, and because of this are fragmented and lack coordination. More than 70,000 age 55 and over elderly on Oahu are not being served because of this.

Your Committee finds that this lack of centralized planning leadership in elderly affairs in the City and County of Honolulu has greatly hindered the development of senior center programs on Oahu. The Legislature has appropriated large sums of money for the purpose of establishing multi-purpose senior centers throughout Oahu, however, because of this lack of centralized planning, there has been little or no follow up to past appropriation and allocations made by the State for the construction of additional centers.

Your Committee finds, therefore, that the problem of multi-purpose senior center programs goes far beyond the feasibility of establishing such a program in Kapahulu. The problem seems to be the administration of the entire senior center program on Oahu. Unless we address the greater problem, solution of the Kapahulu issue will be inconsequential and of little import.

Your Committee therefore recommends that H.C.R. No. 117 be amended as follows:

1. Amend the existing title to read: "HOUSE RESOLUTION REQUESTING A DETAILED REPORT OF MULTI-PURPOSE SENIOR CENTERS AND PROGRAMS ON OAHU."
2. Request the Honolulu Area Agency on Aging to prepare a detailed report on their program for establishing multi-purpose senior centers and programs which is to include their "area plan", plan of priorities, the criteria and evaluation process utilized in the prioritizing process, their plans for the funding of these priority projects, and any other pertinent information pertaining to the organization and administration of their program, including specific recommendations, action programs, and problems encountered or anticipated.
3. Request the Honolulu Area Agency on Aging to submit its report to the Legislature twenty days prior to the convening of the Regular Session of 1979.
4. Delete all specific references to a permanent senior citizens activity center in Kapahulu.

Your Committee is in agreement that before specific proposals for the design and construction of multi-purpose senior centers can be considered, it is necessary that a comprehensive, operational countywide plan be developed.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.C.R. No. 117, as amended herein, and recommends that it be referred to Legislative Management in the form attached hereto as H.C.R. No. 117, H.D. 1.

Signed by all members of the Committee.

SCRep. 961-78

Culture and the Arts and Water, Land Use Development and
Hawaiian Homes on H.R. No. 506

The purpose of this resolution is to request the Governor of the State of Hawaii to establish a Washington Place Oversight Committee consisting of the spouse of the Governor, all former first ladies living in Hawaii and willing to serve as members, and six additional members. The activities of the Committee as outlined in the resolution are as follows:

- (1) Review and approve plans for major renovations to Washington Place;

- (2) Assist in developing plans for the restoration and preservation of Washington Place as a historic resource;
- (3) Assist in devising and coordinating programs which would enable the people of Hawaii to enjoy and share in the rich heritage of Washington Place;
- (4) Study and inquire into the possibility of acquiring for the renovation of Washington Place, any artifact or personal belonging of Queen Liliuokalani; and
- (5) Study the availability of private and governmental grants for the purpose of renovating, preserving, and restoring Washington Place.

Washington Place, the oldest house in Honolulu, was built in 1846 by Isaac Hart for Captain John Dominis. Upon the death of widow Dominis in 1889, the property was transferred to the son John Owen Dominis husband of Lydia K. P. Kapaakea. On August 27, 1891, John Owen Dominis died and Washington Place became the property of his wife, then Queen Lydia Liliuokalani.

On January 16, 1895, Queen Liliuokalani was arrested at Washington Place and charged with treason against the Republic of Hawaii. Although she remained imprisoned in a second-story bedroom of Iolani Palace for nine months following her arrest, the Queen returned to live in a semi-royal state at Washington Place following a conditional pardon granted to her on September 7, 1895. Until her death on November 11, 1917, Washington Place became the rendezvous of all who had defended the Hawaiian Monarchy.

Prince Jonah Kuhio Kalanianaʻole, one of the heirs to Queen Liliuokalani's estate, suggested the Territory of Hawaii acquire Washington Place as the Executive Mansion. The Legislature of 1919 and 1920 appropriated funds and in May, 1921, the building and land became government property at a cost of \$55,000 including repairs and furnishings.

As a residential historic site and museum, Washington Place serves as an eloquent and stately reminder of Hawaii's heritage. Records at the Hawaii State Department of Land and Natural Resources indicate that Washington Place was first registered as a historic site with the Hawaii Register of Historic Places in May of 1972. On September 22, 1975, it was reregistered as a part of the Hawaii Capitol Historic District.

The traditional responsibility of restoring the furnishings and buildings of the executive mansion has been with the first lady. This has been no simple task as each first lady has been left to seek out her own historical resources and references.

The establishment of an Oversight Committee as an advisory group would serve to provide a consistency and continuity in the restoration of Washington Place while maintaining its historical authenticity. At the same time, such an advisory group would best be able to assess the needs, considerations and goals in developing a master plan prior to any major restoration work to the executive mansion.

Your Committees recommend that the membership of the Washington Place Oversight Committee include representatives of the Historic Site Division of the Department of Land and Natural Resources, the Department of Accounting and General Services, and a historian archaeologist or authority familiar with and knowledgeable in Hawaiian history and artifacts.

Your Committees on Culture and Arts and Water, Land Use Development and Hawaiian Homes concur with the intent and purpose of H.R. No. 506 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committees.

SCRep. 962-78

Culture and the Arts and Water, Land Use Development and
Hawaiian Homes on H.C.R. No. 114

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources to develop a current general plan for the continuing restoration of the Iolani Palace Complex and to submit the plan to the Legislature 40 days prior to the convening of the 1979 Regular Session.

There exists to date, no written plans or guidelines for the operations and management of the Iolani Palace Complex that adequately present a clear indication of the future direction of the restoration. In order to responsibly assess and provide the necessary resources

for the continuing restoration of the Complex, your Committees believe that such plans are essential.

Your Committees on Culture and the Arts and Water, Land Use Development and Hawaiian Homes concur with the intent and purpose of H.C.R. No. 114 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees.

SCRep. 963-78 Culture and the Arts on H.R. No. 591

The purpose of this resolution is to request the State Foundation on Culture and the Arts to submit a report to the Legislature prior to the 1979 session, of recommendations for a budgetary procedure and selection criteria for the acquisition of Hawaiian artifacts using funds from the Art-in-State-Building program.

Section 103-8 of the Hawaii Revised Statutes provides that one percent of the original construction cost of public buildings shall be used for the acquisition of portable or non-portable works of art. There are, however, no restrictions on the nature of the art work purchased.

A growing interest in the purchase and sale of Hawaiian artifacts through public auctions has attracted some concern for a State effort in the acquisition of these items as they become available. The nature of auctions, however, require a standing fund which would allow for bidding and immediate payment for acquisitions.

The resolution has been amended to correct a typographical error, in the first BE IT RESOLVED clause.

Your Committee on Culture and the Arts concurs with the intent and purpose of H.R. No. 591 as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 591, H.D. 1.

Signed by all members of the Committee.

SCRep. 964-78 Higher Education on H.R. No. 530

The purpose of the resolution is to request the Legislative auditor to conduct a management audit of the University of Hawaii system, which will include a review of areas as organizational structure, management of curriculum, personnel management and financial administration. Further, the more specific issues to be examined shall include: the appropriate levels and kinds of decision-making within the system, as undertaken by the system office and the various campuses; the extent to which autonomy should be granted to the campuses to minimize paperwork and to implement decisions in a timely manner; and the procedures and practices in the recruitment, selection and appointment of personnel. Last, the Legislative Auditor is to report his findings and recommendations to the 1979 session of the Legislature.

The need for such an audit has almost become self-evident, especially in view of the University of Hawaii's tremendous expansion in such notable areas as student enrollment, operational costs, and numbers of campuses. In 1969, the present system's organizational structure was created to deal with the dimensions of this expansion. However, the results have involved an ever-increasing number of multiple-levels of decision-making that have obscured accountability and permitted delays on vital decisions and actions, thereby causing a reflection detrimental to its students and faculty and to its reputation and stature locally and nationally.

In lieu of the Legislative Auditor, the President of the University of Hawaii proposed that a "Blue Ribbon Committee" of nine members be selected by the Governor to conduct a fundamental review of broad public policy and philosophy, as well as technical management studies. It was proposed that the Blue Ribbon Committee be assisted by the staff of the Legislative Auditor. In addition, he requested that an "in-depth review and examination" be made not only of the internal organization and administration of the University of Hawaii system, but of the "respective roles and responsibilities" of the Board of Regents, the Legislature, and the Governor and his executive departments.

He maintained that the University is "truly unique" from other state agencies because

it is a "national and international institution" which is "not a part of the State Administration in the same way, for example, that the Department of Social Services is." Further, the University resembles the legislative, executive and judicial branches of the state government rather than any other state agency, because it was not created by statute, but rather, "established in the Constitution adopted by the people directly."

"Having expressed reservations about audits" for fear that standards "appropriate for normal commercial and governmental entities" may be inappropriate for the University, the President reported that the university conducts regular financial audits augmented by regular management letters as well as separate management audits. In addition, federally-sponsored grants and contracts are regularly audited by the federal government to assure compliance with University policies and grant requirements.

The hearing revealed, indeed to the acknowledgment of the President himself, that the above-mentioned audits, expertly done, have not been given their due attention by the University administration. Further, despite what was implied previously, it was pointed out that no branch of the state - legislative, executive, or judicial - as well as any of the state agencies is exempt from a legislative audit. As with the case of the Board of Regents and the University of Hawaii, the very existence, too, of the Office of the Legislative Auditor is due to its establishment in the State Constitution. Therefore, the Legislative Auditor, it was shown, offers a continuity and a permanence as well as an expertise that a temporal Blue Ribbon Committee would obviously lack. It was unanimously agreed by all that the Legislative Auditor is the only qualified public agency to conduct an audit of such scope and magnitude.

As important, it was stressed, is the fact that the questions and issues as presented in the resolution are clearly delineated and defined. To disperse the intent of inquiry to include a broader spectrum of components of the state government as well as to raise philosophical questions about the purposes of the University would be seen as maneuvers to evade coming-to-grips with serious problems mutually acknowledged by all interested parties concerned, including members of the university community themselves. In conclusion, your Committee believes firmly that a management audit of the University of Hawaii system by the Legislative Auditor is without question needed and that its results will undoubtedly be of benefit to the Legislature and the University.

Your Committee on Higher Education concurs with the intent and purpose of H. R. No. 530 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representative Carroll.

SCRep. 965-78 Higher Education on H.C.R. No. 112

The purpose of this concurrent resolution is to request the Legislative auditor to conduct a management audit of the University of Hawaii system, which will include a review of areas as organizational structure, management of curriculum, personnel management and financial administration. Further, the more specific issues to be examined shall include: the appropriate levels and kinds of decision-making within the system, as undertaken by the system office and the various campuses; the extent to which autonomy should be granted to the campuses to minimize paperwork and to implement decisions in a timely manner; and the procedures and practices in the recruitment, selection and appointment of personnel. Last, the Legislative Auditor is to report his findings and recommendations to the 1979 session of the Legislature.

The need for such an audit has almost become self-evident, especially in view of the University of Hawaii's tremendous expansion in such notable areas as student enrollment, operational costs, and numbers of campuses. In 1969, the present system's organizational structure was created to deal with the dimensions of this expansion. However, the results have involved an ever-increasing number of multiple-levels of decision-making that have obscured accountability and permitted delays on vital decisions and actions, thereby causing a reflection detrimental to its students and faculty and to its reputation and stature locally and nationally.

In lieu of the Legislative Auditor, the President of the University of Hawaii proposed that a "Blue Ribbon Committee" of nine members be selected by the Governor to conduct a fundamental review of broad public policy and philosophy, as well as technical management studies. It was proposed that the Blue Ribbon Committee be assisted by the staff of the Legislative Auditor. In addition, he requested that an "in-depth review and examination" be made not only of the internal organization and administration of the University of Hawaii

system, but of the "respective roles and responsibilities" of the Board of Regents, the Legislature, and the Governor and his executive departments.

He maintained that the University is "truly unique" from other state agencies because it is a "national and international institution" which is "not a part of the State Administration in the same way, for example, that the Department of Social Services is." Further, the University resembles the legislative, executive and judicial branches of the state government rather than any other state agency, because it was not created by statute, but rather, "established in the Constitution adopted by the people directly."

"Having expressed reservations about audits" for fear that standards "appropriate for normal commercial and governmental entities" may be inappropriate for the University, the President reported that the university conducts regular financial audits augmented by regular management letters as well as separate management audits. In addition, federally-sponsored grants and contracts are regularly audited by the federal government to assure compliance with University policies and grant requirements.

The hearing revealed, indeed to the acknowledgment of the President himself, that the above-mentioned audits, expertly done, have not been given their due attention by the University administration. Further, despite what was implied previously, it was pointed out that no branch of the state - legislative, executive, or judicial - as well as any of the state agencies is exempt from a legislative audit. As with the case of the Board of Regents and the University of Hawaii, the very existence, too, of the Office of the Legislative Auditor is due to its establishment in the State Constitution. Therefore, the Legislative Auditor, it was shown, offers a continuity and a permanence as well as an expertise that a temporal Blue Ribbon Committee would obviously lack. It was unanimously agreed by all that the Legislative Auditor is the only qualified public agency to conduct an audit of such scope and magnitude.

As important, it was stressed, is the fact that the questions and issues as presented in the resolution are clearly delineated and defined. To disperse the intent of inquiry to include a broader spectrum of components of the state government as well as to raise philosophical questions about the purposes of the university would be seen as maneuvers to evade coming-to-xrips with serious problems mutually acknowledged by all interested parties concerned, including members of the university community themselves. In conclusion, your Committee believes firmly that a management audit of the University of Hawaii system by the Legislative Auditor is without question needed and that its results will undoubtedly be of benefit to the Legislature and the University.

Your Committee on Higher Education concurs with the intent and purpose of H.C.R. No. 112 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representative Carroll.

SCRep. 966-78 Health on H.R. No. 569

The purpose of this resolution is to proclaim the month of May 1978 as Mental Health Month whose theme for the month will be "Have You Hugged Your Keiki Today?"

Your Committee recognizes that the Mental Health Association promotes prevention of mental illnesses, improvement of care for the mentally ill through public education and planning and social action.

Your Committee on Health concurs with the intent and purpose of H.R. No. 569 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 967-78 Health on H.C.R. No. 20

The purpose of this concurrent resolution is to endorse and encourage increased efforts to improve the access of Hawaii's people to reproductive health care and to provide a policy foundation for the development of reproductive health programs especially for the disadvantaged.

Your Committee finds that access to reproductive health care is in the vital interest of the community. It enhances the health and well-being of the community, particularly the health and well-being of women and of the children they bear.

Your Committee further finds that the cost of failure to ensure access to reproductive health care is a burden which ultimately society bears since it may result in unwanted pregnancies.

Your Committee on Health concurs with the intent and purpose of H.C.R. No. 20 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 968-78 Legislative Management on H.C.R. No. 17

The purpose of this concurrent resolution is to request the Legislative Reference Bureau, in conjunction with the Departments of Taxation and Budget and Finance, to study the financial impact of population growth on the expansion of major public services and facilities and to assess alternative methods for equitably distributing the costs of growth among present and future generations.

Your Committee received supportive testimony from the Growth Management Task Force and agrees with the findings of the House Committee on State General Planning as stated in Standing Committee Report No. 761-78.

Your Committee on Legislative Management concurs with the intent and purpose of H.C.R. No. 17, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 969-78 Legislative Management on H.C.R. No. 39

The purpose of this resolution is to request the Office of the Legislative Auditor to conduct a management audit of the Legal Aid Society with particular regard to the effectiveness of its operations and to investigate charges made in reference to caseload of staff and restricted or close intake of new cases with a view to determining the proper use of public funds by the organization. The audit is to include an examination of all phases of the operations and policies of the Legal Aid Society and is to cover all areas not covered by the federal investigations.

The Legal Aid Society is further requested to provide the Committee with an accounting of its findings prior to the end of the legislative session and to cooperate in any investigation carried out by the Legislative Auditor; and the federal authorities are requested to cooperate with the Legislative Auditor in the event that the federal reports are released after the current legislative session has ended by providing the Committee with copies of any reports resulting from the federal investigations.

Your Committee agrees with the findings of the House Committee on Judiciary as stated in Standing Committee Report No. 199-78.

Your Committee on Legislative Management concurs with the intent and purpose of H.C.R. No. 39, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 970-78 Education and Higher Education on H.R. No. 532

The purpose of this Resolution is to request the United States Department of Health, Education and Welfare to continue support of the University of Hawaii In-Service Training Program in the 13th Cycle Teacher Corps Project-1978.

Your Joint Committees find that there is a definite need to provide teachers with appropriate training to utilize new teaching techniques and knowledge to improve their performance in the classroom. Your Joint Committees further find that the 11th Cycle Jarrett Teacher Corps Program, implemented in 1976 as a joint University of Hawaii and Department of Education project, has been successfully implemented and has had a positive impact on the learning environment within the school.

Your Committees have been informed that the University of Hawaii, in conjunction with the Department of Education, has submitted an application for an extension of the Teacher

Corps Project, 13th Cycle Teacher Corps Project-1978, that will offer teachers at McKinley High, Washington Intermediate, and Royal Elementary Schools an in-service training program.

Your Committees have heard testimonies from the University of Hawaii, the Department of Education, and the Hawaii State Teachers Association that they are in support of this Resolution.

Your Committee on Education and Committee on Higher Education are in accord with the intent and purpose of H.R. No. 532 and recommends its adoption.

Signed by all members of the Committees.

SCRep. 971-78 Education and Higher Education on H.C.R. No. 113

The purpose of this concurrent Resolution is to request the United States Department of Health, Education and Welfare to continue support of the University of Hawaii In-Service Training Program in the 13th Cycle Teacher Corps Project-1978.

Your Joint Committees find that there is a definite need to provide teachers with appropriate training to utilize new teaching techniques and knowledge to improve their performance in the classroom. Your Joint Committees further find that the 11th Cycle Jarrett Teacher Corps Program, implemented in 1976 as a joint University of Hawaii and Department of Education project, has been successfully implemented and has had a positive impact on the learning environment within the school.

Your Committees have been informed that the University of Hawaii, in conjunction with the Department of Education, has submitted an application for an extension of the Teacher Corps Project, 13th Cycle Teacher Corps Project-1978, that will offer teachers at McKinley High, Washington Intermediate, and Royal Elementary Schools an in-service training program.

Your Committees have heard testimonies from the University of Hawaii, the Department of Education, and the Hawaii State Teachers Association that they are in support of this Resolution.

Your Committee on Education and Committee on Higher Education are in accord with the intent and purpose of H.C.R. No. 113 and recommends its adoption.

Signed by all members of the Committees.

SCRep. 972-78 Youth and Elderly Affairs on H.C.R. No. 123

The purpose of this concurrent resolution is to designate and set aside the 15th day of September each year as "TUTU" (Grandparents) Day in Hawaii in honor of all grandparents in the State of Hawaii.

Your Committee on Youth and Elderly Affairs concurs with the intent and purpose of H.C.R. No. 123 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 973-78 Employment Opportunities and Labor Relations on H.C.R. No. 67

The purpose of this concurrent resolution is to request the employees and employers in the construction industry to establish common expiration dates in their respective labor management contracts.

Presently, collective bargaining contracts in the private construction industry expire at different times. A labor management controversy which may involve only one union and the employer may actually prevent all unions on a given job from working.

Your Committee finds that a common expiration date of all contracts in the construction industry would promote fullscale activity within the construction industry, steady work for employees and benefit the entire community.

Your Committee agrees with testimony presented that a common expiration date would

help to alleviate the "leap frogging" process of trying to outdo another union's contract.

Your Committee also finds, in recent and current contract negotiations, every effort is being made to have contracts expire on a common date through individual collective bargaining procedures.

Your Committee has amended the concurrent resolution to establish a joint Labor-Management Commission appointed by the Governor to consist of four (4) representatives from contractors in the building and construction trades, four (4) representatives from the labor unions in the building and construction trades and one (1) member from the general public to establish common expiration dates in labor-management contracts and to submit a progress report prior to the convening of the Tenth Legislature.

Your Committee on Employment Opportunities and Labor Relations concurs with the intent and purpose of H.C.R. No. 67, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 67, H.D. 1.

Signed by all members of the Committee.

SCRep. 974-78 Ecology and Environmental Protection on H.R. No. 413

The purpose of this resolution is to request that the Department of Health amend the Public Health Regulations to allow the operation of a stationary vehicle's engine for a limited time span.

Your Committee finds that Chapter 43, section 9(c), of the Public Health Regulations which prohibits the operation of a motor vehicle engine while stationary at a loading zone or parking area is unrealistic as presently written. Many bus engines require some time to build up engine compression.

Your Committee has amended this resolution to avoid specific recommendations as to what solution the Department of Health should adopt.

Your Committee on Ecology and Environmental Protection concurs with the intent and purpose of H.R. No. 413, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 413, H.D. 1.

Signed by all members of the Committee except Representative Caldito.

SCRep. 975-78 Ecology and Environmental Protection and Energy and Transportation on H.R. No. 331

The purpose of this resolution is to express support for early consideration and passage of S.1820, the "Natural Diversity Act", now pending in the 95th Congress.

Your Committees find that the "Natural Diversity Act" will fill a major gap in existing conservation programs, complement other Federal and State conservation programs, and establish a standardized inventory process and data management system.

Your Committees also find that the magnitude of the conservation effort needed in Hawaii makes it difficult for the State to meet the needs, and that federal support as provided for in the "Natural Diversity Act" would be of considerable assistance.

Your Committee on Ecology and Environmental Protection and your Committee on Energy and Transportation concur with the intent and purpose of H.R. No. 331 and recommend its adoption.

Signed by all members of the Committee except Representative Caldito.

SCRep. 976-78 Ecology and Environmental Protection and Energy and Transportation on H.C.R. No. 69

The purpose of this concurrent resolution is to express support for early consideration and passage of S.1820, the "Natural Diversity Act", now pending in the 95th Congress.

Your Committees find that the "Natural Diversity Act" will fill a major gap in existing

conservation programs, complement other Federal and State conservation programs, and establish a standardized inventory process and data management system.

Your Committees also find that the magnitude of the conservation effort needed in Hawaii makes it difficult for the State to meet the needs, and that federal support as provided for in the "Natural Diversity Act" would be of considerable assistance.

Your Committee on Ecology and Environmental Protection and your Committee on Energy and Transportation concur with the intent and purpose of H.C.R. No. 69 and recommend its adoption.

Signed by all members of the Committee except Representative Caldito.

SCRep. 977-78 Water, Land Use, Development and Hawaiian Homes on H.R. No. 517

The purpose of this resolution is to urge the City and County of Honolulu to assume immediate responsibility for the operation and maintenance of the various non-public sewage treatment plants and systems in the Ewa, Beach, Oahu, area and to implement without delay the necessary improvements to assure the health, safety, and well-being of residents and visitors.

Your Committee feels that the City's existing expertise in the operation and maintenance of public sewerage systems is the most effective means of aiding and benefiting the Ewa Beach residents who have been besieged with sewer related problems. Proper operation and maintenance of non-public sewerage systems will significantly reduce the problems that have been experienced.

The resolution has been amended by inserting additional "WHEREAS" clauses.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 517, as amended herein, and recommends that it be adopted in the form attached hereto as H.R. No. 517, H.D. 1.

Signed by all members of the Committee except Representative Naito.

SCRep. 978-78 Legislative Management

Informing the House that House Resolution Nos. 647 to 654, House Concurrent Resolution No. 147, Standing Committee Report Nos. 920-78 to 952-78 and Special Committee Report No. 13 have been printed and distributed.

Signed by all members of the Committee.

SCRep. 979-78 Higher Education on H.R. No. 202

The purpose of the resolution is to urge the University of Hawaii to provide assistance within the guidelines and policies set forth by the Board of Regents to groups desiring to establish child care facilities and programs at all campuses of the University of Hawaii system for the use of students, faculty and staff.

Your Committee believes that the care of children is the primary responsibility of the parent or parents of a child, and as such, that parent should make every effort to care for his or her child. However, the pursuit of an education by a parent to better qualify himself or herself for better economic and employment opportunities which would upgrade the standard of living of both parent and child represents a responsible and concerned effort and should not be discouraged.

Your Committee finds that while there is a growing interest among parents with young children to pursue a higher education, some are discouraged from entering the University of Hawaii system because on-campus child care is not available and off-campus child care is oftentimes too expensive or inconvenient.

Testimony presented by the Leeward Community College Association for Child Care revealed that Leeward Community College (LCC) personnel have been extremely helpful and supportive in the establishment of the Association and the preparation of its proposal for an on-campus child care facility at LCC. However, the Association indicated that the future development and maintenance of their child care program would require continued

assistance from the University. Further, it is hoped that the assured assistance and support from the University to the Association would encourage similar groups to establish needed child care programs on the other campuses within the system.

The University of Hawaii has testified in favor of offering such assistance within the guidelines and policies set by the Board of Regents. Your Committee, therefore, supports the resolution but proposes amending the title, in order to make it in concordance with the body of the resolution.

Your Committee on Higher Education concurs with the intent and purpose of H.R. 201, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. 201, H.D. 1, H.D. 2.

Signed by all members of the Committee.

SCRep. 980-78 Water, Land Use, Development and Hawaiian Homes on H.R. No. 567

The purpose of this resolution is to request that each county prepare a report on its implementation of the park dedication law as set forth by Section 46-6, Hawaii Revised Statutes, which report shall include, but not be limited to, the following:

- (1) A listing, including a financial summary, of all lands, facilities, or moneys, provided or dedicated pursuant to the ordinance;
- (2) A description and financial summary of all funds received and expended under the park dedication ordinance;
- (3) A description and financial summary of recreational areas and facilities receiving funds, and a description and financial summary of each recreational area and facility created under the authority of Section 46-6, Hawaii Revised Statutes.

Also, that each county submit its report to the House of Representatives no later than 20 days prior to the convening of the Tenth Legislature.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 567 and recommends that it be referred to the Committee on Housing.

Signed by all members of the Committee except Representative Naito.

SCRep. 981-78 Water, Land Use, Development and Hawaiian Homes on H.R. No. 544

The purpose of this resolution is to request the department of land and natural resources to develop a plan for the establishment of a state land inventory system that shall include but not be limited to the following: (1) a detailed description of the inventory system that will identify the location, size, land use and zoning designation, and existing and potential land uses; (2) a description and analysis of the benefits application, and potential uses of such a system; (3) a timetable to implement such a system; and (4) a detailed cost analysis for the development and maintenance of such a system. Also, that the department submit its plan on a state land inventory system twenty days prior to the convening of the Regular Session of 1979.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 544 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 982-78 Water, Land Use, Development and Hawaiian Homes on H.R. No. 495

The purpose of this resolution, as amended, is to request the counties of the State to incorporate in their respective zoning and other appropriate ordinances and rules provision to protect the sunrights of property owners including among others, the following provisions:

- (1) The use of solar energy collectors for heating and cooling shall be a permitted use in all zones of the county;

(2) Any person seeking a building permit that may affect air space shall certify in writing that no solar easement exists or if a solar easement exists, the person shall submit a copy of the deed containing description of the easement unless the easement is already recorded with the county. Should the county determine that the proposed construction would intrude upon the easement, no building permit shall be granted; and

(3) Allow variances to be granted by the county from zone restrictions where necessary to permit unimpaired access to the sun during the hours of 10:00 a.m. to 2:00 p.m. as long as such variances do not interfere with existing solar collectors, preclude installation of solar collectors on adjacent properties, and are not otherwise injurious to adjacent properties; and

(4) Careful considerations shall be given to use of any reflective type of building material that indiscriminately causes a build-up of heat on surrounding surfaces or areas. No reflection hazard on pedestrian discomfort shall be allowed onto adjoining roadways, parks or sidewalks.

Also, that the land court and the bureau of conveyances adopt appropriate rules to permit the recording of solar easements.

Your Committee has included an amendment to "reflect" concerns of the possible hazard and discomfort created by the use of reflecting material.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 495, as amended herein, and recommends that it be referred to the joint committees on Judiciary and Consumer Protection in the form attached hereto as H.R. No. 495, H.D. 1.

Signed by all members of the Committee.

SCRep. 983-78

Legislative Management on H.C.R. No. 50

The purpose of this concurrent resolution is to request the Office of the Legislative Auditor to conduct an audit of the operation of the Real Estate Commission (1) to determine whether the Commission is providing efficient service to the real estate industry and to the public; and (2) to determine whether program operations can be improved through better utilization of resources or whether additional resources are needed.

Your Committee has found that due to the population and economic growth in the State, the increase in the number of real estate licensees, and the increase in the amount of real estate activity, the Commission's workload borders on being unmanageable. Additionally, the Commission appears grossly understaffed and underfunded to effectively handle the increasing responsibilities created by expanded real estate programs and operations. In view of the critical situation confronting the Commission, your Committee strongly feels that an audit is necessary to determine the Commission's ability to fulfill its statutory mandates.

However, your Committee has amended the concurrent resolution to additionally request the Office of the Legislative Auditor to determine whether establishing a real estate division within the Department of Regulatory Agencies is feasible and to further determine what the cost implications would be for this division to operate as a self-supporting division through licensing or other fees and also as a division dependent on State general funds. Your Committee feels that such a division may effectively alleviate or rectify the problems facing the Real Estate Commission by allowing a distribution of workload and a concentration of expertise.

Your Committee on Legislative Management concurs with the intent and purpose of H.C.R. No. 50, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 50, H.D. 1.

Signed by all members of the Committee.

SCRep. 984-78

Ocean and Marine Resources on H.R. No. 216

The purpose of this completely revised resolution is to request the Marine Affairs Coordinator to reconvene the Marine Mammal Committee to deal with current issues in research and the protection of marine mammals.

Your Committee finds that there are a number of issues concerning marine mammals that deserve attention. These include the desirability and feasibility of open ocean research, the influence of the military on research and availability of information and the problems of management and enforcement at the State and federal levels.

Your Committee received testimony highlighting recent recognition of the intelligence and sensitivity of marine mammals, as well as their ability to be trained for both military and civilian purposes. Virtually all those who testified agreed that enforcement of federal statutes could be improved. At the present time, there are only two full-time federal enforcement officers.

Your Committee recognizes that as the State becomes more involved in management of the Leeward Islands, there is likely to be a number of issues involving marine mammals, including monk seals, whales, dolphins, and others.

The Marine Affairs Coordinator's office did initiate a Marine Mammal Committee but that recently the committee has not been meeting. Your Committee felt that in light of recent events and the need to re-evaluate the management and protection of mammals, it would be useful to reconvene that committee.

Your Committee on Ocean and Marine Resources concurs with the intent and purpose of H.R. No. 216, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 216, H.D. 1.

Signed by all members of the Committee.

SCRep. 985-78 Culture and the Arts on H.R. No. 601

The purpose of this resolution is to request the Governor to annually appoint a Composer Laureate in accordance with the recommendations of a Committee appointed by him for this purposes. The naming ceremony shall be accompanied by Hawaiian music with participants from the community and schools.

The Hawaiian renaissance of recent years has most frequently been expressed through music, the language of feeling. At the same time, music is the language of history for imbedded in the music of Hawai'i is a quiet resolve to remember the past and a quiet determination to hold on those human values which change cannot destroy.

Your Committee believes that in keeping with programs of historical preservation, an annual celebration honoring a composer laureate is appropriate.

Your Committee on Culture and the Arts is in accord with the intent and purpose of H.R. No. 601 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 986-78 Ecology and Environmental Protection and Water, Land Use
Development and Hawaiian Homes on S.C.R. No. 67

The purpose of this concurrent resolution is to request that the members of Hawaii's Congressional Delegation support the early passage of the supplemental appropriations bill which provides funding of the Clean Water Act of 1977 for fiscal 1978.

Your Committees find that the Clean Water Act of 1977 provides matching grants for local sewage treatment plants and that this funding is a crucial element of the 1972 Federal Water Pollution Control Act.

Your Committee on Ecology and Environmental Protection and your Committee on Water, Land Use Development and Hawaiian Homes concur with the intent and purpose of S.C.R. No. 67 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 987-78 Education on H.R. No. 502

The purpose of this Resolution is to request the Committee on Education to undertake a review of the project management system of the department of education. The PMS is

a management tool to improve administrators' control over the research and development efforts of the department.

The Project Management System was established following the 1973 legislative auditor's management audit of the department. It was one of the few concrete results of that audit which attempted to really address a management problem existing at the time--a proliferation of projects with no one knowing what projects were underway, who was responsible for which project, who was to decide whether a project should be started, continued, or terminated, and whether any proposed projects duplicated what had already been attempted.

The administrator of the PMS reported to your Committee that some \$33 million in 15 projects is currently being managed by the PMS. In contrast, in 1973 the PMS inventoried 41 projects totaling \$41 million. A close examination of the current inventory, dated February 13, 1978, reveals some disturbing findings. For example, ten-year installations of new programs are carried in the inventory for these long periods as if they had been planned that way, when in fact they are subject to year-to-year funding or sporadic expansion. Projects which were supposed to have been terminated from six months to over two years ago still appear with no specific explanation for their continuance.

Your Committee derived the disquieting impression that the department has been deliberately permitting the PMS to die of neglect. For such a management system as the PMS to be effective, there must be a commitment among all administrators that all projects will be channeled into the system. Then there must be consistent monitoring to ensure that the timetable for each project is being met. At this point your Committee would have to conclude that the PMS has been relatively ineffective--not because it is inherently so, but because it has been allowed to become so.

The department also indicated that the PMS is currently under review in the context of other management systems established or about to be established. The Committee finds this even more disturbing than the apparent neglect of the system. The PMS, as imperfectly as it might have been implemented, nevertheless promised some control over a particular use of valuable resources. The other management control system cited by the department (i.e., PPB, federal grant application processes, and FPAIS) are not intended for the same purposes as the PMS. If the PMS is dismantled, once again a cloak will be pulled over the department's research and development efforts. Neither the legislature nor the personnel in the department will have an opportunity to know, from a centralized source, what the department's research and development program is like.

In sum, your Committee urges the retention and improvement of the project management system of the DOE. Through this report, your Committee requests the department to carefully and objectively review the reasons for the system's ineffectiveness and implement corrective measures. We have no doubt that if one does not start from the assumption that the PMS should be discarded, one could ascertain the causes for the system's ineffectiveness and chart out ways to strengthen it.

Your Committee on Education concurs with the intent and purpose of H.R. No. 502 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 988-78

Education and Higher Education on H.R. No. 177

The purpose of this Resolution is to request the Committee on Education and the Committee on Higher Education to jointly review the adequacy of present support services provided by the College of Education to the public schools throughout the State.

Your Committees find that the College of Education at the University of Hawaii constitutes a tremendous resource for in-service training programs and technical assistance in the improvement of classroom instruction, and should therefore be tapped by the Department of Education as a major service of support in these areas. Your Committees further find that cooperative efforts between the College and the Department of Education would afford teachers and administrators alike, a continuum of training opportunities.

Your Committees have heard testimonies from the Department of Education and the University of Hawaii and find that during the past two years the Department of Education and the College of Education have cooperatively developed a system to insure maximum use of the College's resources. Some examples of school level assistance provided by the College are the long-term reading project covering the Haleiwa and Waialua area schools, the Mathematics Center in the Central Oahu District, the Science Center in the Leeward Oahu

District, the participatory management project in all districts, the statewide career education continuum program, and the Jarrett Teacher Corps Project in the Honolulu District.

Your Committees further find that although there has been great improvement in past years in the cooperative programs of the Department of Education and the College of Education, there is still a need for greater resources within the University of Hawaii and also a more concentrated effort to use the available curriculum specialists within the Department of Education.

Your Committees have been impressed with the cadre approach taken, wherein the University of Hawaii has been training department of education personnel, who in turn are capable of training other school level personnel. Your Committees feel that this cadre system should be expanded, as it is only being used on a limited basis.

Your Committee on Education and Committee on Higher Education concurs with the intent and purpose of H.R. No. 177 and recommend its adoption.

Signed by all members of the Committees.

SCRep. 989-78 Higher Education on H.R. No. 523

The purpose of this resolution is to express legislative support for the annual Hawaii Career and College Fair and to encourage increased participation from Hawaii's private business sector.

The Hawaii Career and College Fair is an annual event held for the purpose of providing students, counselors, teachers, parents and other members of the community at-large, the opportunity to learn more about available educational and career options. Testimony presented before your Committee revealed impressive attendance figures indicating support to the contention that the Fair is indeed responding to a community need for such an educational opportunity. Furthermore, testimony presented by the University of Hawaii, the Department of Education, the Hawaii Education Council, and the Hawaii Career and College Fair Committee indicated that currently, exhibitor participation in the Fair has come primarily from Hawaii's educational sectors. Therefore it is hopeful that through legislative support, there will be increased participation from the private business sector in an effort to perhaps expand the available information currently available at the event.

Your Committee on Higher Education concurs with the intent and purpose of H. R. No. 523 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 990-78 Agriculture on H.R. No. 590

The purpose of this resolution is to request Department of Agriculture through its Ad Hoc Advisory Committee on the Animal Quarantine Station to investigate the possibility of renewed military assistance to the Halawa facility, and that a report of findings and recommendations be submitted prior to the convening of the Regular Session of 1979.

Your Committee finds that military users of the Quarantine Facilities are paying their fare share of the cost of operation through the existing fee structure. In addition, your Committee further finds that:

- (1) Should the military assume any part of the operation, quarantine control which the State now exercises over the control of confined animals may be diminished.
- (2) There are strong indication that the military service may not wish to enter in such agreement.

Testimonies received by your Committee during a public hearing on April 4, 1978 were unanimous in their support for adoption of the resolution.

Your Committee on Agriculture concurs with the intent and purpose of H.R. No. 590 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Naito.

SCRep. 991-78 Agriculture on H.R. No. 524

The purpose of this resolution is to request the State Department of Agriculture to give the highest priority in its product promotion program and activities to make possible the creation and utilization of a special logo to identify locally produced and certified agricultural commodities. The use of the logo as envisioned in the resolution is to serve as a centerpiece in product promotion purposes ultimately designed to strengthen the competitive ability of Hawaii produced commodities in the marketplace, and thereby strengthen the growth and development of local diversified agriculture.

Your Committee finds that the State Department of Agriculture has been engaged in an aggressive market development and promotion program including the creation of a logo entitled "Hawaii Select". Your Committee applauds this effort and encourages further initiatives in this area. Your Committee finds, however, that the State responsibility for the promotion of various local products including agricultural commodities and that the program activities of these two departments together with any other Executive Branch initiatives should be more closely integrated to achieve greater efficiency and effectiveness.

Your Committee has accordingly amended the title of the resolution by requesting the Agriculture Coordinating Committee, Office of the Governor, the body empowered by state law to coordinate and monitor all state agencies in their duties and responsibilities with respect to agricultural development, to establish policy guidelines in the area of agricultural market development and product promotion programs and activities and to coordinate and monitor their implementation.

Your Committee has further amended the body of the resolution to reflect the concerns relating to the need for an integrated program and to incorporate the views, including those contained in testimony presented during a public hearing on the resolution on March 28, 1978,

Your Committee on Agriculture is in accord with the intent and purpose of H.R. No. 524 as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 524, H.D. 1.

Signed by all members of the Committee except Representative Naito.

SCRep. 992-78 Agriculture on H.C.R. No. 107

The purpose of this resolution is to request the State Department of Agriculture to give the highest priority in its product promotion program and activities to make possible the creation and utilization of a special logo to identify locally produced and certified agricultural commodities. The use of the logo as envisioned in the resolution is to serve as a centerpiece in product promotion purposes ultimately designed to strengthen the competitive ability of Hawaii produced commodities in the marketplace, and thereby strengthen the growth and development of local diversified agriculture.

Your Committee finds that the State Department of Agriculture has been engaged in an aggressive market development and promotion program including the creation of a logo entitled "Hawaii Select". Your Committee applauds this effort and encourages further initiatives in this area. Your Committee finds, however, that the State responsibility for the promotion of various local products including agricultural commodities and that the program activities of these two departments together with any other Executive Branch initiatives should be more closely integrated to achieve greater efficiency and effectiveness.

Your Committee has accordingly amended the title of the resolution by requesting the Agriculture Coordinating Committee, Office of the Governor, the body empowered by state law to coordinate and monitor all state agencies in their duties and responsibilities with respect to agricultural development, to establish policy guidelines in the area of agricultural market development and product promotion programs and activities and to coordinate and monitor their implementation.

Your Committee has further amended the body of the resolution to reflect the concerns relating to the need for an integrated program and to incorporate the views, including those contained in testimony presented during a public hearing on the resolution on March 28, 1978,

Your Committee on Agriculture is in accord with the intent and purpose of H.C.R. No. 107 as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 107, H.D. 1.

Signed by all members of the Committee except Representative Naito.

SCRep. 993-78 Agriculture and Ecology and Environmental Protection on H.R.
No. 575

The purpose of this resolution is to request the Department of Health to redetermine the necessity and cost-benefit ratio of the visible emission and limitations and the reasonableness of their impact on the sugar industry and to repeal or modify those limitations if it finds that they are unreasonable.

Your Committees find that the specific regulation to which the resolutions are directed are contained in Section 8 of Chapter 43 of the Public Health Regulations. In addition, your Committee further finds that:

- (1) Growing concern has been voiced by industry that EPA has taken a much more stringent position than the Department of Health on the matter of visible emissions.
- (2) Some factories, due to the variability of the biomass fuel normally used, at times need to suddenly shift to fuel oil during factory breakdowns, and during start ups, short periods of noncompliance are almost certain to occur.
- (3) Fuel oil of 0.5 percent sulfur content is quite expensive but will be available since our local refineries are able to produce this oil. However, it has been estimated that fuel oil containing as low as 0.2 percent sulfur content may be necessary to bring generating stations into compliance with State Ambient Air Quality Standards. Local refineries are not able to produce fuel oil of this low sulfur content and expressed concern on their ability to obtain this oil. The ratepayers will undoubtedly be paying an additional, large premium if industries are required to burn this extremely low sulfur fuel oil.
- (4) The sugar industry, presently, is subject to both mass emission limitations for the purpose of meeting emission reduction levels necessary to meet ambient air quality standards and visible emission limitations for aesthetic purposes rather than particulate level reduction. These requirements have been in existence since March 1972. The Department of Health reports, with six years of experience and with new Clean Air Act enforcement requirements facing the industry, it may be an opportune time to reassess our air pollution control strategy and the regulations necessary to meet ambient air quality standards.

Testimonies received by your Committees during a public hearing on April 4, 1978, were unanimous in their support for adoption of the resolution.

Your Committees have amended this resolution by amending paragraphs 3, 8, 12 and 13.

Your Committees on Agriculture and Ecology and Environmental Protection concur with the intent and purpose of H.R. No. 575, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 575, H.D. 1.

Signed by all members of the Committees except Representative Baker.

SCRep. 994-78 Agriculture and Water, Land Use, Development and Hawaiian.
Homes on H.R. No. 485

The purpose of this resolution is to request all state and county agencies to utilize the "Agriculture Lands of Importance To The State of Hawaii" classification system in those activities which relate to land use planning and decision making.

Your Committees find that the State Department of Agriculture and the Soil Conservation Service, United States Department of Agriculture, have recently completed the mapping of the "Agricultural Lands of Importance to the State of Hawaii," and that said lands are comprised of three separate categories termed, "prime agricultural land", "unique agricultural land", and "other important agricultural land".

Your Committees further find that scientific criteria were established by a committee of experts from various State and Federal governmental agencies to define the aforementioned three categories of agricultural land.

Your Committees additionally find that the classification system reflected in the resolution

was developed for the purpose of inventorying and locating the State's most important agricultural lands. In turn, the classification system is intended to provide land use decision-makers at all levels of government with an additional resource to render intelligent decisions consistent with mandates of the State of Hawaii Constitution and other provisions of state law. Contrary to certain notions advanced, your Committees find that the classification system was not and is not intended to be used as a zoning mechanism applicable to any particular parcel of land.

Testimonies received by your Committees during a public hearing on March 28, 1978 were unanimous in their support for adoption of the resolution.

Your Committees on Agriculture, and Water, Land Use Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 485 and recommends that it be referred to the Committee on State General Planning.

Signed by all members of the Committees except Representative Naito.

SCRep. 995-78 Agriculture and Water, Land Use, Development and Hawaiian
Homes on H.C.R. No. 100

The purpose of this resolution is to request all state and county agencies to utilize the "Agriculture Lands of Importance To The State of Hawaii" classification system in those activities which relate to land use planning and decision making.

Your Committees find that the State Department of Agriculture and the Soil Conservation Service, United States Department of Agriculture, have recently completed the mapping of the "Agricultural Lands of Importance to the State of Hawaii," and that said lands are comprised of three separate categories termed, "prime agricultural land", "unique agricultural land", and "other important agricultural land".

Your Committees further find that scientific criteria were established by a committee of experts from various State and Federal governmental agencies to define the aforementioned three categories of agricultural land.

Your Committees additionally find that the classification system reflected in the resolution was developed for the purpose of inventorying and locating the State's most important agricultural lands. In turn, the classification system is intended to provide land use decision-makers at all levels of government with an additional resource to render intelligent decisions consistent with mandates of the State of Hawaii Constitution and other provisions of state law. Contrary to certain notions advanced, your Committees find that the classification system was not and is not intended to be used as a zoning mechanism applicable to any particular parcel of land.

Testimonies received by your Committees during a public hearing on March 28, 1978 were unanimous in their support for adoption of the resolution.

Your Committees on Agriculture, and Water, Land Use Development and Hawaiian Homes concurs with the intent and purpose of H.C.R. No. 100 and recommends that it be referred to the Committee on State General Planning.

Signed by all members of the Committees except Representative Naito.

SCRep. 996-78 Agriculture and Higher Education on H.R. No. 486

The purpose of this resolution is to request that the Department of Agriculture, in cooperation with the University of Hawaii's College of Tropical Agriculture, perform a study on the future economic viability of independent sugar growers to include research into alternative crops for sugar lands.

Your Committees find that in 1972, the Board of Agriculture approved loans to 418 independent sugar cane growers along the Hamakua Coast to enable the formation of the Hilo Coast Processing Cooperative. Subsequently, as a result of declining sugar prices, the Board of Agriculture, in 1976, waived loan repayments for a period of two years through September, 1978.

Your Committees find that, in addition to the aforementioned assistance, under the provisions of Act 19, Special Session Laws of Hawaii, 1977, 163 supplementary loans totalling \$735,192 have been made to independent sugar growers to cover deficits on their 1976

crop loans from private lenders. Also, to encourage private lenders to continue financing the independent growers, loan guarantees to private lenders under the provisions of Section 155-5 of the Agricultural Loan Program have been made. To date, up to \$5 million for 1,029 loans have been insured by the Board of Agriculture.

Your Committees find that all of these actions are temporary measures and are by no means a concerted effort to achieve a long-term solution to the economic problems confronting independent sugar growers. Such a solution requires action at the national and international levels as it affects Hawaii's entire sugar industry.

Your Committees further find that in order to keep the independent sugar growers' future viable, it is imperative that research be conducted for economically viable crops other than sugar, on existing sugar land.

Testimonies received by your Committees during a public hearing held on March 28, 1978 were unanimous in their support for adoption of the resolution.

Your Committees on Agriculture and Higher Education concur with the intent and purpose of H.R. 486 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Naito.

SCRep. 997-78 Agriculture and Higher Education on H.C.R. No. 99

The purpose of this resolution is to request that the Department of Agriculture, in cooperation with the University of Hawaii's College of Tropical Agriculture, perform a study on the future economic viability of independent sugar growers to include research into alternative crops for sugar lands.

Your Committees find that in 1972, the Board of Agriculture approved loans to 418 independent sugar growers along the Hamakua Coast to enable the formation of the Hilo Coast Processing Cooperative. Subsequently, as a result of declining sugar prices, the Board of Agriculture, in 1976, waived loan repayments for a period of two years through September, 1978.

Your Committees find that, in addition to the aforementioned assistance, under the provisions of Act 19, Special Session Laws of Hawaii, 1977, 163 supplementary loans totalling \$735,192 have been made to independent sugar growers to cover deficits on their 1976 crop loans from private lenders. Also, to encourage private lenders to continue financing the independent growers, loan guarantees to private lenders under the provisions of Section 155-5 of the Agricultural Loan Program have been made. To date, up to \$5 million for 1,029 loans have been insured by the Board of Agriculture.

Your Committees find that all of these actions are temporary measures and are by no means a concerted effort to achieve a long-term solution to the economic problems confronting independent sugar growers. Such a solution requires action at the national and international levels as it affects Hawaii's entire sugar industry.

Your Committees further find that in order to keep the independent sugar growers' future viable, it is imperative that research be conducted for economically viable crops other than sugar, on existing sugar land.

Testimonies received by your Committees during a public hearing held on March 28, 1978 were unanimous in their support for adoption of the resolution.

Your Committees on Agriculture and Higher Education concur with the intent and purpose of H.C.R. 99 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Naito.

SCRep. 998-78 Agriculture and Higher Education on H.R. No. 460

The purpose of this resolution is to request that a feasibility study for a multi-purpose slaughterhouse complex on Oahu be conducted by the Department of Agriculture with the cooperation and assistance of the College of Tropical Agriculture of the University of Hawaii and the Agriculture Coordinating Committee, Office of the Governor, and that a report of findings and recommendations be submitted prior to the convening of the Regular Session of 1979.

Your Committees find that there is a real need for new slaughterhouse facilities on Oahu and that it is highly desirable in the interest of efficiency, convenience, and economy to locate the various slaughterhouse facilities and related processing plants in a common area. A study on the feasibility of such a complex should be undertaken as a joint effort by the Department of Agriculture, University of Hawaii and the Agriculture Coordinating Committee of the Governor's Office.

Testimonies received by your Committee during a public hearing on March 28, 1978 were unanimous in their support for adoption of the resolution.

Your Committees have amended the resolution to include the "Department of Land and Natural Resources", in the "be it resolved" clause.

Your Committees on Agriculture and Higher Education concurs with the intent and purpose of H.R. No. 460 as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 460 in the form attached here as H.R. 460, H.D. 1.

Signed by all members of the Committees except Representative Naito.

SCRep. 999-78 Agriculture and Higher Education on H.C.R. No. 90

The purpose of this resolution is to request that a feasibility study for a multi-purpose slaughterhouse complex on Oahu be conducted by the Department of Agriculture with the cooperation and assistance of the College of Tropical Agriculture of the University of Hawaii and the Agriculture Coordinating Committee, Office of the Governor, and that a report of findings and recommendations be submitted prior to the convening of the Regular Session of 1979.

Your Committees find that there is a real need for new slaughterhouse facilities on Oahu and that it is highly desirable in the interest of efficiency, convenience, and economy to locate the various slaughterhouse facilities and related processing plants in a common area. A study on the feasibility of such a complex should be undertaken as a joint effort by the Department of Agriculture, University of Hawaii and the Agriculture Coordinating Committee of the Governor's Office.

Testimonies received by your Committee during a public hearing on March 28, 1978 were unanimous in their support for adoption of the resolution.

Your Committees have amended the resolution to include the "Department of Land and Natural Resources", in the "be it resolved" clause.

Your Committees on Agriculture and Higher Education concurs with the intent and purpose of H.C.R. No. 90 as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 90 in the form attached here as H.C.R. 90, H.D. 1.

Signed by all members of the Committees except Representative Naito.

SCRep. 1000-78 Health and Education on H.R. No. 271 (Majority)

The purpose of this resolution is to establish a health counseling pilot project in two public high schools which will provide counseling particularly in the areas of family planning and dealing with problems of adolescent pregnancy.

Testimonies presented by Hawaii Planned Parenthood indicate that in 1976 approximately 34 per cent of Planned Parenthood's 10,726 patients were adolescents. They further indicated that an estimate of 4.1 million teens are currently at risk of pregnancy.

Your Committees recommend an amendment to the "Be It Further Resolved" clause by also establishing a health counseling pilot project in two intermediate schools with the cooperation of the Department of Education, Department of Health and through private agencies in consultation with the PTSA, students and other interested parties.

The intent of your Committees are to focus the pilot project in two segments - one in a low income area and another in a high income area.

Your Committees further amend this resolution by adding another "Be It Further Resolved"

clause to read as follows:

"BE IT FURTHER RESOLVED that the Department of Health and Department of Education submit a report of its findings and recommendations to the Legislature prior to the convening of the Regular Session of 1979."

Your Committees on Health and Education concur with the intent and purpose of H.R. No. 271, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 271, H.D. 1.

Signed by all members of the Committees.
(Representative Sutton did not concur.)

SCRep. 1001-78 Health and Education on H.R. No. 374

The purpose of this resolution is to request the Department of Health to conduct a study to determine the feasibility of implementing a routine scoliosis screening program in Hawaii's public schools.

Your Committees find that when scoliosis is detected early, most spinal curvatures can be prevented from getting worse by means of a spinal brace.

Your Committees further find that scoliosis screening is a very simple procedure and can be learned very easily in a short period of time.

Testimony from the Department of Health indicates that both the Department of Health and the Department of Education have already implemented a pilot scoliosis screening program at Kaimuki Intermediate School. The Department of Health will report the results of this program prior to the next session of the Legislature.

Oral testimony presented at the hearing strongly urged the implementation of the scoliosis screening program as soon as possible and recommended against conducting the feasibility study.

Your Committees are in agreement that a scoliosis screening program should be implemented as soon as possible and, therefore have amended the tenth paragraph as follows:

"BE IT RESOLVED by the House of Representatives of the Ninth Legislature of the State of Hawaii, Regular Session of 1978, that the Department of Health is requested to present a plan for the implementation of a routine scoliosis screening program in Hawaii's public schools; and"

Your Committees on Health and Education concur with the intent and purpose of H.R. No. 374, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 374, H.D. 1.

Signed by all members of the Committees.

SCRep. 1002-78 Energy and Transportation on H.R. No. 559

The purpose of this resolution is to continue investigation of potential problems and allegations made relating to commercial airport concessions within the Air Transportation facilities Division of the department of transportation and to recommend legislative or administrative remedies and possible methods of prevention.

In testifying before your Committee, the department of transportation stated that they will cooperate fully with the Interim Subcommittee in its investigation.

Your Committee on Energy and Transportation concurs with the intent and purpose of H.R. No. 559 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee.

SCRep. 1003-78 Energy and Transportation on H.R. No. 582

The purpose of this resolution is to request that a subcommittee be appointed to investi-

gate the problem of aircraft noise, including military and civilian helicopters and planes, and submit a report on possible solutions to control this problem.

Your Committee received testimony from the state Department of Transportation, Citizens Against Noise, and the General Aviation Council of Hawaii, all in support of this resolution.

This concurrent resolution has been amended to request that the appropriate federal agencies be consulted by the state department of transportation in investigating noise caused by military aircraft operations.

Your Committee on Energy and Transportation concurs with the intent and purpose of H.R. No. 582, as amended herein, and recommends that it be referred to the Committee on Legislative Management, in the form attached hereto as H.R. No. 582, H.D. 1.

Signed by all members of the Committee.

SCRep. 1004-78 Energy and Transportation on H.R. No. 564

The purpose of this resolution is to request the Energy Resources Coordinator, the Department of Education and the Department of Accounting and General Services to work together in developing and sponsoring an energy conservation poster contest for elementary school students in Hawaii in order to promote an awareness of the need to develop alternative energy resources as well as to promote energy conservation measures.

Testimony presented before your Committee was in favor of this resolution. The Department of Planning and Economic Development stated that Federal funds are available for a public awareness program for energy conservation and that such a poster contest as requested in this resolution could be incorporated in a public awareness program. The Department of Education concurred with the intent of this resolution and expressed their willingness to cooperate with the Department of Planning and Economic Development in promoting this contest within the public school system.

Your Committee on Energy and Transportation concurs with the intent and purpose of H.R. 564 and recommends that it be referred to the Committee on Education.

Signed by all members of the Committee.

SCRep. 1005-78 Judiciary on H.R. No. 73

The purpose of this resolution is to request the Office of the Legislative Reference Bureau to study the use of information gained through confidential communication between any program or agency with a client and how such use of confidential communication coincides with federal requirements relating to client information and to report on its findings and recommendations prior to the convening of the Regular Session of 1979. The study is to include the transfer of such information between agencies, the basis and justification thereof, the procedures utilized in transferring such information, and the instances in which the consent of the client is required for such transfer of information.

Your Committee heard testimony that an individual who seeks services from an agency supported with public funds often unknowingly authorizes the release of confidential information to several other agencies. In general, this transfer of information is intended to help the individual obtain necessary services; in other instances, the information is reported to a monitoring agency responsible for the distribution of funds. Because of your Committee's concern with the individual's right to privacy as well as the effective servicing of clients, it is felt that a study is warranted at this time.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 73 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee.

SCRep. 1006-78 Judiciary on H.R. No. 576

The purpose of this resolution is to request the Legislative Auditor to conduct a study of the current system of budgeting for and paying out of witness expenses in criminal cases and to make specific recommendations either for improvement of the present system or for institution of a new system. The Legislative Auditor is further requested to report his findings to the Legislature prior to the convening of the Regular Session of 1979.

Your Committee heard testimony from the Judiciary indicating that problems exist in the current system of budgeting for and paying for witness expenses, and your Committee finds that those problems are appropriate for study.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 576 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1007-78 Ocean and Marine Resources and Ecology and Environmental
Protection on H.R. No. 404

The purpose of this resolution is to request Secretary of Commerce Juanita Kreps to deny the requests of the governments of the Soviet Union and Japan to obtain exemptions to the Marine Mammal Protection Act.

Your Committees find that worldwide populations of marine mammals have come under heavy pressure from human occupation of their territories and exploitation of their numbers for centuries. Systematic "harvesting" has brought such diverse species as the sea otter and the blue whale to the brink of extinction. Others, such as the harp seal, are even now being further endangered by overhunting.

In 1972, Congress passed the Marine Mammal Protection Act as a means of providing the greatest possible protection for the remaining populations of marine mammals under jurisdiction of the United States.

While this Act has certainly helped the cause of marine mammals, certain exceptions to its regulations have been granted which reduce its effectiveness. The most important and dangerous of these exceptions relate to the incidental killing of marine mammals during operations of the commercial fishing industry. The tuna industry has been especially widely condemned for the killing of tens of thousands of dolphins during seine fishing operations.

It is important, both for the survival of marine mammals and for the integrity of the United States, that the Marine Mammal Protection Act remain an effective instrument of United States public policy and that the exceptions to its regulations should be decreasing, not expanding.

Your Committees further find that testimony indicated that the exceptions to the Act requested by the Soviet Union and Japan would permit the fishermen of these nations to kill more than two thousand seals and sea lions as well as whales and dolphins during the course of fishing operations in and around the Bering Sea and the Aleutians.

Your Committees have made certain minor amendments in the first "Be it resolved" clause to conform to the language of the title, and to change "Russia" to "the Soviet Union."

Your Committees on Ocean and Marine Resources and Ecology and Environmental Protection concur with the intent and purpose of H.R. No. 404, as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 404, H.D. 1.

Signed by all members of the Committees.

SCRep. 1008-78 Ocean and Marine Resources and Ecology and Environmental
Protection on H.C.R. No. 83

The purpose of this concurrent resolution is to request Secretary of Commerce Juanita Kreps to deny the requests of the governments of the Soviet Union and Japan to obtain exemptions to the Marine Mammal Protection Act.

Your Committees find that worldwide populations of marine mammals have come under heavy pressure from human occupation of their territories and exploitation of their numbers for centuries. Systematic "harvesting" has brought such diverse species as the sea otter and the blue whale to the brink of extinction. Others, such as the harp seal, are even now being further endangered by overhunting.

In 1972, the U.S. Congress passed the Marine Mammal Protection Act as a means of providing the greatest possible protection for the remaining populations of marine mammals under U.S. jurisdiction.

While this Act has certainly helped the cause of marine mammals, certain exceptions to its regulations have been granted which reduce its effectiveness. The most important and dangerous of these exceptions relate to the incidental killing of marine mammals during operations of the commercial fishing industry. The tuna industry has been especially widely condemned for the killing of tens of thousands of dolphins during seine fishing operations.

It is important, both for the survival of marine mammals and for the integrity of U.S. law, that the Marine Mammal Protection Act remains an effective instrument of U.S. public policy and that exceptions to its regulations should be decreasing not expanding.

Your Committees further find that testimony indicated that the exceptions to the Act requested by Russia and Japan would permit the fishermen of these nations to kill more than two thousand seals and sea lions and some whales and dolphins during the course of fishing operations in and around the Bering Sea and the Aleutians.

Your Committees have made certain minor amendments in the first "Be it resolved" clause to conform to the language of the title, and to change "Russia" to "the Soviet Union."

Your Committee on Ocean and Marine Resources and your Committee on Ecology and Environmental Protection concur with the intent and purpose of H.C.R. No. 83, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 83, H.D. 1.

Signed by all members of the Committees.

SCRep. 1009-78 Energy and Transportation on H.C.R. No. 137

The purpose of this concurrent resolution is to declare Wednesday, May 3, 1978, as Sun Day in Hawaii and to encourage the people of Hawaii to participate in the various Sun Day activities and to promote interest in the benefits of solar energy use.

The Department of Planning and Economic Development and the Department of Education testified in support of this concurrent resolution.

Your Committee on Energy and Transportation concurs with the intent and purpose of H.C.R. No. 137 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1010-78 Finance on H.R. No. 375

The purpose of this resolution is to request the John A. Burns School of Medicine of the University of Hawaii to incorporate geriatric medicine in the medical school curriculum.

The results of a 1976 survey conducted by the American Medical Association showed that seventy-five per cent of the practicing physicians feel that there is a definite need for increased training in geriatric medicine.

Your Committee agrees that special emphasis upon geriatrics in physician training and education is necessary and desirable, and will facilitate increased physician awareness and understanding of aging as a normal human development process and its relationship to medical treatment.

The John A. Burns School of Medicine is requested to submit a detailed report outlining their progress on the incorporation of geriatric medicine into their curriculum, including a timetable for implementation, twenty days prior to the convening of the 1979 Legislative Session.

Your Committee recommends that the report include long-range cost data and has amended this resolution to request the inclusion of such data.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 375, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 375, H.D. 2.

Signed by all members of the Committee.

SCRep. 1011-78 Finance on H.R. No. 536

The purpose of this resolution is to request the Department of Regulatory Agencies to study (1) the use of binders, certificates of insurance and other devices which have the apparent effect of avoiding the Hawaii Insurance Law; (2) the effect of such practices on the consuming public as well as on insurers, general agents and solicitors; and (3) the effect of such practices on premium tax revenues collected by the State.

The Hawaii Insurance Law is designed to protect the public interest with respect to all transactions of insurance by regulating the business of insurance within the State. Binders, certificates of insurance and other evidences of insurance other than the insurance policy itself can be effectively used to provide insurance without regard to the provisions of the Hawaii Insurance Law.

Your Committee agrees that the requested study is desirable to insure that such practices are not detrimental to the consuming public's interest and that the State is not thereby being deprived of gross premium tax income to which it would otherwise be entitled.

Your Committee on Finance is in accord with the intent and purpose of H.R. No. 536 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1012-78 Finance on H.C.R. No. 116

The purpose of this concurrent resolution is to request the Department of Regulatory Agencies to study (1) the use of binders, certificates of insurance and other devices which have the apparent effect of avoiding the Hawaii Insurance Law; (2) the effect of such practices on the consuming public as well as on insurers, general agents and solicitors; and (3) the effect of such practices on premium tax revenues collected by the State.

The Hawaii Insurance Law is designed to protect the public interest with respect to all transactions of insurance by regulating the business of insurance within the State. Binders, certificates of insurance and other evidences of insurance other than the insurance policy itself can be effectively used to provide insurance without regard to the provisions of the Hawaii Insurance Law.

Your Committee agrees that the requested study is desirable to insure that such practices are not detrimental to the consuming public's interest and that the State is not thereby being deprived of gross premium tax income to which it would otherwise be entitled.

Your Committee on Finance is in accord with the intent and purpose of H.C.R. No. 116 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1013-78 Judiciary on H.R. No. 92

The purpose of this resolution is to urge the United States Congress to pass Senate Bill 129 in order to recognize the contribution of Filipino World War II veterans by restoring them to the status of bonafide veterans of the U.S. Army.

Your Committee finds that approximately 125,000 native Filipinos were mobilized by the U.S. Army during World War II, and that these Filipinos served honorably alongside soldiers from the U.S. and Hawaii. Your Committee further finds that the Army deleted many thousands of these Filipinos from their official rosters in 1946, resulting in denial of claims by many of these veterans. On January 10, 1977, U.S. Senator Daniel K. Inouye introduced Senate Bill 129 which would provide legislation recognizing and aiding these Filipino war veterans. Your Committee was informed that Senate Bill 129 is still pending, and your Committee believes that recognition of the Filipino World War II veterans is reasonable and proper and long overdue.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 92 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1014-78 Judiciary on H.R. No. 173

The original purpose of this resolution is to request that the Chief Justice of the Hawaii Supreme Court appoint a commission to review the insanity laws of Hawaii and to recommend improvements to the Regular Session of 1979.

Your Committee feels that the insanity laws have been a hinderance in the determination of justice. The Department of Health testified and concurred that there is a need for the review of the insanity laws and its impact.

Your Committee learned that a commission has been appointed by the Governor called the State Commission on Mental Health and Criminal Justice. Since the review of the insanity laws falls within the purview of this commission, your Committee felt that this resolution should be directed to the Commission. Thus, the resolution was amended accordingly.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 173, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 173, H.D. 1.

Signed by all members of the Committee.

SCRep. 1015-78 Judiciary on H.R. No. 380

The purpose of this resolution is to request that the Committee on Public Employment and Government Operations consider the question of religious freedom as it relates to the payment of service fees to unions.

Your Committee agrees with the findings of the Committee on Public Employment and Government Operations that a problem currently exists regarding employees who are not union members and who are required to pay service fees for union activities directly related to the negotiation and administration of a collective bargaining agreement. Some employees are opposed to paying such fees as a matter of religious belief, resulting in a conflict between the religious beliefs of a minority of employees and the statutorily conferred right of unions to receive compensation for the services they provide to non-union members.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 380 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1016-78 Judiciary on H.C.R. No. 126

The original purpose of this concurrent resolution is to urge the police, Women Against Rape, and the Sex Abuse Treatment Center to design, develop, and establish an educational program relating to rape and to educate the various individuals within the legal system in the realities of the crime of rape and its impact on victims.

Your Committee heard testimony to the effect that societal myths, misconceptions and stereotypes confuse and inhibit the effective medical and psychological treatment for rape victims and the effective prosecution of rapists. The concurrent resolution addresses the need for basic changes in attitudes and values toward the problems of rape and sexual assault through both public awareness and professional training of various individuals within the legal system, including judges, attorneys, and court and other appropriate justice system personnel.

Your Committee believes that the appropriate agency to coordinate the designing, developing, and establishing of an educational program relating to rape is the Hawaii Commission on Crime, which is to report to the Legislature prior to the convening of the Regular Session of 1979 on its progress. Thus, your Committee accordingly amended this concurrent resolution to reflect this intent.

Your Committee on Judiciary concurs with the intent and purpose of H.C.R. No. 126, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 126, H.D. 1.

Signed by all members of the Committee.

SCRep. 1017-78 Higher Education on H.R. No. 603

The purpose of this resolution is to endorse and support the efforts of the Greater Honolulu Athletic Foundation in its application for approval and certification of a bowl game before the Extra Events Committee of the National Collegiate Athletic Association (NCAA).

Testimony presented by the University of Hawaii indicated that the proposed bowl game, if approved, would probably be an independent game, without affiliation to any particular conference, held annually just before Christmas. The proposed bowl game would be under the control of the Greater Honolulu Athletic Foundation and proceeds from the bowl game would go to local charities.

It was further noted that the Greater Honolulu Athletic Foundation Bowl Committee will be presenting its proposed bowl game package before the NCAA Extra Events Committee in Tucson next week. While it will be difficult to obtain approval and certification, the presentation is an excellent one and support from the Legislature would be an added boost.

If NCAA approval and certification for a Hawaii bowl game is obtained, your Committee believes that it would serve to encourage the finest caliber of athletic competition for Hawaii's sports enthusiasts and would stimulate the State's tourist industry and economy.

Your Committee on Higher Education concurs with the intent and purpose of H.R. No. 603 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1018-78 Higher Education on S.C.R. No. 82

The purpose of this concurrent resolution is to endorse and support the efforts of the Greater Honolulu Athletic Foundation in its application for approval and certification of a bowl game before the Extra Events Committee of the National Collegiate Athletic Association (NCAA).

Testimony presented by the University of Hawaii indicated that the proposed bowl game, if approved, would probably be an independent game, without affiliation to any particular conference, held annually just before Christmas. The proposed bowl game would be under the control of the Greater Honolulu Athletic Foundation and proceeds from the bowl game would go to local charities.

It was further noted that the Greater Honolulu Athletic Foundation Bowl Committee will be presenting its proposed bowl game package before the NCAA Extra Events Committee in Tucson next week. While it will be difficult to obtain approval and certification, the presentation is an excellent one and support from the Legislature would be an added boost.

If NCAA approval and certification for a Hawaii bowl game is obtained, your Committee believes that it would serve to encourage the finest caliber of athletic competition for Hawaii's sports enthusiasts and would stimulate the State's tourist industry and economy.

Your Committee on Higher Education concurs with the intent and purpose of S.C.R. No. 82 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1019-78 Agriculture on H.R. No. 529

The purpose of this resolution is to encourage the mobilization of all available resources related to the development of diversified tropical agriculture by actively supporting academic research and practical demonstration models in different climatic sections of the State of Hawaii related to diversified tropical agriculture.

Your Committee finds that hunger is a serious world-wide problem which has affected most of the world's population.

Your Committee has long recognized that the State of Hawaii is the logical location suited to the development of tropical agricultural research and methodology which can be adapted by many developing countries. Your Committee also learned that the College of Tropical Agriculture, University of Hawaii has been devoting considerable effort to attract additional

federal funds for the purposes outlined in this resolution.

Your Committee has made a minor language amendment in the resolution by deleting the word "best" appearing in the fifth "WHEREAS" clause to strengthen the intended meaning of the statement.

Your Committee on Agriculture concurs with the intent and purpose of H.R. No. 529, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 529, H.D. 1.

Signed by all members of the Committee except Representative Naito.

SCRep. 1020-78 Agriculture and Water, Land Use, Development and Hawaiian
Homes on H.C.R. No. 139

The purpose of this concurrent resolution is to urge President Carter to carefully reconsider his proposal to phase out the RC&D Area Program and consider other alternatives including continuing the program and keeping the funding at the level authorized during fiscal year 1978.

Your Committees find that the RC&D Area Program is authorized under Public Law 87-703, as amended, and since 1971 Hawaii has been actively engaged in receiving financial and technical assistance for the Tri-Isle RC&D Program which covers all of the County of Maui. Hawaii will be seriously affected by the 1979 reduction, inasmuch as the Tri-Isle RC&D Program has four more projects awaiting financial and technical assistance; and the Big Island RC&D Program which covers the County of Hawaii has seven projects which have been submitted for assistance. The County of Kauai has submitted an application for the establishment of a Garden Island RC&D Program and if approved this program will be awaiting assistance in the future.

Your Committees further find that in fiscal year 1978 the program was budgeted as \$31,979,000. In 1979, President Carter proposed a phase-out budget of about \$7 million for this program and there is a possibility that the program might be eliminated altogether.

Testimonies received by your Committees during a public hearing on April 4, 1978, were unanimous in their support for adoption of the concurrent resolution.

Your Committees on Agriculture and Water, Land Use Development and Hawaiian Homes concur with the intent and purpose of H.C.R. No. 139 and recommend its adoption.

Signed by all members of the Committees except Representative Naito.

SCRep. 1021-78 Agriculture and Water, Land Use, Development and Hawaiian
Homes on H.R. No. 596

The purpose of this resolution is to urge President Carter to carefully reconsider his proposal to phase out the RC&D Area Program and consider other alternatives including continuing the program and keeping the funding at the level authorized during fiscal year 1978.

Your Committees find that the RC&D Area Program is authorized under Public Law 87-703, as amended, and since 1971 Hawaii has been actively engaged in receiving financial and technical assistance for the Tri-Isle RC&D Program which covers all of the County of Maui. Hawaii will be seriously affected by the 1979 reduction, inasmuch as the Tri-Isle RC&D Program has four more projects awaiting financial and technical assistance; and the Big Island RC&D Program which covers the County of Hawaii has seven projects which have been submitted for assistance. The County of Kauai has submitted an application for the establishment of a Garden Island RC&D Program and if approved this program will be awaiting assistance in the future.

Your Committees further find that in fiscal year 1978 the program was budgeted as \$31,979,000. In 1979, President Carter proposed a phase-out budget of about \$7 million for this program and there is a possibility that the program might be eliminated altogether.

Testimonies received by your Committees during a public hearing on April 4, 1978, were unanimous in their support for adoption of the resolution.

Your Committees on Agriculture and Water, Land Use Development and Hawaiian Homes

concur with the intent and purpose of H.R. No. 596 and recommend its adoption.

Signed by all members of the Committee except Representative Naito.

SCRep. 1022-78 Water, Land Use, Development and Hawaiian Homes on H.R. No. 562
(Majority)

The purpose of this resolution is to make urgent declarations that Hawaii oppose inclusion of the 302,435 acres of the fast land to the fringing reefs of the Leeward Islands into a National Wildlife Preservation System, and that the Hawaii Congressional delegation oppose legislation requesting such inclusion, doing everything in their power to permanently withdraw such legislation from consideration.

Your Committee asserts that Section 1 (a.) 17 of Congressional Bill No. H.R. 1907 is totally unacceptable because it transmits jurisdiction--without justification--of 302,435 acres of State submerged lands and appurtenant waters in the Northwestern Hawaiian Islands to the Department of the Interior, and is tantamount to the Federal Government's confiscation of the Northwestern Hawaiian Islands' natural resources and their uses that belong to the residents of this State. These resources and potential uses are crucial to future diversification of the State's economy and recreational/aesthetic pursuits.

No substantial documents support the Department of Interior's currently recognized boundaries of the refuge, nor does any substantial information exist which supports the need of designating the refuge a wilderness. Only upon objective resource information can judicious federal-state management plans be formulated for the rational use and preservation of the natural resources found therein.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 562 and recommends its adoption.

Signed by all members of the Committee.
(Representative Carroll did not concur.)

SCRep. 1023-78 Water, Land Use, Development and Hawaiian Homes on H.C.R. No. 133
(Majority)

The purpose of this concurrent resolution is to make urgent declarations that Hawaii oppose inclusion of the 302,435 acres of the fast land to the fringing reefs of the Leeward Islands into a National Wildlife Preservation System, and that the Hawaii Congressional delegation oppose legislation requesting such inclusion, doing everything in their power to permanently withdraw such legislation from consideration.

Your Committee asserts that Section 1 (a.) 17 of Congressional Bill No. H.R. 1907 is totally unacceptable because it transmits jurisdiction--without justification--of 302,435 acres of State submerged lands and appurtenant waters in the Northwestern Hawaiian Islands to the Department of the Interior, and is tantamount to the Federal Government's confiscation of the Northwestern Hawaiian Islands' natural resources and their uses that belong to the residents of this State. These resources and potential uses are crucial to future diversification of the State's economy and recreational/aesthetic pursuits.

No substantial documents support the Department of Interior's currently recognized boundaries of the refuge, nor does any substantial information exist which supports the need of designating the refuge a wilderness. Only upon objective resource information can judicious federal-state management plans be formulated for the rational use and preservation of the natural resources found therein.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.C.R. No. 133 and recommends its adoption.

Signed by all members of the Committee.
(Representative Carroll did not concur.)

SCRep. 1024-78 Judiciary on H.R. No. 577

The purpose of this resolution is to commemorate May 1, 1978, as Law Day and May 1 through May 7, 1978, as Law Week and to urge all citizens of the State to join in the observance of these events.

Your Committee was informed of some of the activities to be sponsored by the Hawaii State Bar Association and has amended the resolution to note these events. Your Committee has also amended the resolution to expand upon the theme of Law Day--"Your Access to Justice."

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 577, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 577, H.D. 1.

Signed by all members of the Committee.

SCRep. 1025-78 Judiciary on H.C.R. No. 131

The purpose of this concurrent resolution is to commemorate May 1, 1978, as Law Day and May 1 through May 7, 1978, as Law Week and to urge all citizens of the State to join in the observance of these events.

Your Committee was informed of some of the activities to be sponsored by the Hawaii State Bar Association and has amended the concurrent resolution to note these events. Your Committee has also amended the concurrent resolution to expand upon the theme of Law Day--"Your Access to Justice."

Your Committee on Judiciary concurs with the intent and purpose of H.C.R. No. 131 as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 131, H.D. 1.

Signed by all members of the Committee.

SCRep. 1026-78 Legislative Management

Informing the House that House Resolution Nos. 655 to 660 and Standing Committee Report Nos. 954-78 to 977-78, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 1027-78 Health and Public Employment and Government Operations on
H.R. No. 580

The purpose of this resolution is to request the Office of the Legislative Reference Bureau, in consultation with the Department of Health, the Department of Personnel Services, the Board of Nursing, and the Hawaii Nurses Association, to conduct a study of the feasibility of job sharing as an alternative to full-time employment for nurses within the Department of Health.

Testimony received from the Department of Health and the Hawaii Nurses Association, the exclusive representative of public sector nurses in the State of Hawaii, was supportive of the proposed study and indicated that full cooperation would be given to the Bureau in the conduct of the study. Testimony further revealed that in order to determine the feasibility of job sharing among Department of Health nursing personnel, the study should include but not be limited to an examination of the following factors:

- (a) the number of nurses within the Department of Health interested in job sharing as an employment alternative;
- (b) the number of unemployed licensed nurses in the State interested in returning to work on a job sharing basis;
- (c) the administrative and practical considerations of implementing job sharing in the Department of Health such as scheduling, shift choice, continuity of patient care, in-service and upgrading training of new employees;
- (d) employee benefit and other cost implications of implementing job sharing as an employment alternative; and
- (e) any additional factors and implications relating to implementation of job sharing in the Department of Health.

Your Committees find that the Office of the Legislative Reference Bureau conducted

a previous investigation of the feasibility of job sharing by public employees in Hawaii. The intent of this resolution is to request a similar but more detailed study of the feasibility of job sharing by nurses within the Department of Health.

Your Committees on Health and Public Employment and Government Operations concur with the intent and purpose of H.R. No. 580 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees.

SCRep, 1028-78 Health and Public Employment and Government Operations on
H.C.R. No. 134

The purpose of this resolution is to request the Office of the Legislative Reference Bureau, in consultation with the Department of Health, the Department of Personnel Services, the Board of Nursing, and the Hawaii Nurses Association, to conduct a study of the feasibility of job sharing as an alternative to full-time employment for nurses within the Department of Health.

Testimony received from the Department of Health and the Hawaii Nurses Association, the exclusive representative of public sector nurses in the State of Hawaii, was supportive of the proposed study and indicated that full cooperation would be given to the Bureau in the conduct of the study. Testimony further revealed that in order to determine the feasibility of job sharing among Department of Health nursing personnel, the study should include but not be limited to an examination of the following factors:

- (a) the number of nurses within the Department of Health interested in job sharing as an employment alternative;
- (b) the number of unemployed licensed nurses in the State interested in returning to work on a job sharing basis;
- (c) the administrative and practical considerations of implementing job sharing in the Department of Health such as scheduling, shift choice, continuity of patient care, in-service and upgrading training of new employees;
- (d) employee benefit and other cost implications of implementing job sharing as an employment alternative; and
- (e) any additional factors and implications relating to implementation of job sharing in the Department of Health.

Your Committees find that the Office of the Legislative Reference Bureau conducted a previous investigation of the feasibility of job sharing by public employees in Hawaii. The intent of this resolution is to request a similar but more detailed study of the feasibility of job sharing by nurses within the Department of Health.

Your Committees on Health and Public Employment and Government Operations concur with the intent and purpose of H.C.R. No. 134 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep, 1029-78 Judiciary on H.R. No. 384

The purpose of this resolution is to condemn the unnecessary slaughter of dolphins by all members of the international community and to request the United States Department of State to take appropriate action.

Your Committee agrees with the findings of the Committees on Ocean and Marine Resources and on Ecology and Environmental Protection and adds its concern.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 384, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep, 1030-78 Finance on H.C.R. No. 46

The purpose of this concurrent resolution is to request the Congress of the United States to fully support the public service employment provisions of the Comprehensive Employment and Training Act (CETA), to work toward strengthening the provisions of the Act, and to recommend to the President, continued operation and expansion programs under the Act.

Currently, there are approximately 3,000 positions throughout the State which are funded under CETA public service employment programs. This reflects a major increase over the number of job slots funded last year, a direct result of the Carter Administration's national economic stimulus program. Undoubtedly, the creation of these additional public service jobs has had a significant impact on the level of unemployment in the State of Hawaii. Moreover, it has meant immediate jobs to individuals who have been unemployed for a considerable length of time. This concurrent resolution requests Congress to create more public service employment as a means of counteracting economic recession and unemployment.

Your Committee on Finance concurs with the intent and purpose of H.C.R. No. 46, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1031-78 Energy and Transportation on H.C.R. No. 129

The purpose of this resolution is to recognize and support an interisland hydrofoil system as a viable interisland marine transportation system and to request that state and federal regulating agencies and departments assist, to a reasonable extent, with the re-establishment and maintenance of this alternative interisland transportation system in the interest of the people of the state.

Your Committee received testimony from the state Department of Transportation in support of this resolution.

Your Committee on Energy and Transportation concurs with the intent and purpose of H.C.R. No. 129 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1032-78 Higher Education and Education on H.R. No. 543

The purpose of this Resolution is to request the University of Hawaii, in cooperation with the Department of Education and the Department of Health, to conduct an in-depth study on the nutritional habits of Hawaii's school children.

Your Committees feel that many of Hawaii's school children have poor eating habits and do not have nutritionally balanced diets. This is especially alarming since it is during the adolescence years that the nutritional value of an individual's diet is of extreme importance. Nutritional deficiencies during adolescence may impair growth and the ability to withstand infectious diseases.

Your Committees are especially concerned about the School Lunch Program in Hawaii since it represents approximately sixteen per cent of the average student's annual food consumption. This Program, with proper research and administration, can be an efficient intervention program aimed at correcting nutritional deficiencies of our students.

Your Committees further find that in a report of the 1977 Interim Subcommittee on Student Nutrition and Physical Well-Being it was recommended that the University of Hawaii, in cooperation with the Department of Education, conduct an in-depth study of the nutritional habits of Hawaii's school children and the effects of such habits on their health.

Your Committees have heard testimony from the University of Hawaii, the Department of Education, and other interested citizens in support of this Resolution. There was general agreement with the importance of student nutrition and the need for further research to determine the nutritional deficiencies of our students, the causes of these deficiencies, and the proper intervention programs.

The University has testified that they are in the process of developing plans for programs in nutrition. Funds have been requested from the U. S. Government for an assessment of the nutritional status of certain population groups in Hawaii. The nutritional assessment

of population groups would include clinical, biochemical, body measurements, and dietary investigations so that the dietary problems can be defined and indications obtained as to the cause of the problems. Since the University is already in the process of developing a study on the nutritional habits of Hawaii's school children, your Committees feel that this Resolution should be refocused upon the delivery of nutrition education programs.

Therefore your Committees have amended this Resolution to request the Department of Education, in consultation with the University of Hawaii, to improve the delivery of nutrition education programs within the public schools of Hawaii and to report on the status of this program to the 1979 Legislature. Your Committees feel that this is an important component of health education and that the D. O. E. and the University have the resources to improve the program. The title of this Resolution has been amended to read as follows: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION, IN CONSULTATION WITH THE UNIVERSITY OF HAWAII, TO IMPROVE THE DELIVERY OF NUTRITION EDUCATION PROGRAMS WITHIN THE PUBLIC SCHOOLS OF HAWAII".

Your Committee on Higher Education and Committee on Education are in accord with the intent and purpose of H.R. No. 543, as amended herein, and recommends that it be referred to the Committee on Health for further consideration in the form attached hereto as H.R. No. 543, H.D. 1.

Signed by all members of the Committees.

SCRep. 1033-78 Higher Education and Education on H.C.R. No. 119

The purpose of this Concurrent Resolution is to request the University of Hawaii, in cooperation with the Department of Education and the Department of Health, to conduct an in-depth study on the nutritional habits of Hawaii's school children.

Your Committees feel that many of Hawaii's school children have poor eating habits and do not have nutritionally balanced diets. This is especially alarming since it is during the adolescence years that the nutritional value of an individual's diet is of extreme importance. Nutritional deficiencies during adolescence may impair growth and the ability to withstand infectious diseases.

Your Committees are especially concerned about the School Lunch Program in Hawaii since it represents approximately sixteen per cent of the average student's annual food consumption. This Program, with proper research and administration, can be an efficient intervention program aimed at correcting nutritional deficiencies of our students.

Your Committees further find that in a report of the 1977 Interim Subcommittee on Student Nutrition and Physical Well-Being it was recommended that the University of Hawaii, in cooperation with the Department of Education, conduct an in-depth study of the nutritional habits of Hawaii's school children and the effects of such habits on their health.

Your Committees have heard testimony from the University of Hawaii, the Department of Education, and other interested citizens in support of this Concurrent Resolution. There was general agreement with the importance of student nutrition and the need for further research to determine the nutritional deficiencies of our students, the causes of these deficiencies, and the proper intervention programs.

The University has testified that they are in the process of developing plans for programs in nutrition. Funds have been requested from the U. S. Government for an assessment of the nutritional status of certain population groups in Hawaii. The nutritional assessment of population groups would include clinical, biochemical, body measurements, and dietary investigations so that the dietary problems can be defined and indications obtained as to the cause of the problems. Since the University is already in the process of developing a study on the nutritional habits of Hawaii's school children, your Committees feel that this Concurrent Resolution should be refocused upon the delivery of nutrition education programs.

Therefore your Committees have amended this Concurrent Resolution to request the Department of Education, in consultation with the University of Hawaii, to improve the delivery of nutrition education programs within the public schools of Hawaii and to report on the status of this program to the 1979 Legislature. Your Committees feel that this is an important component of health education and that the D. O. E. and the University have the resources to improve the program. The title of this Concurrent Resolution has been amended to read as follows: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION, IN CONSULTATION WITH THE UNIVERSITY OF HAWAII, TO IMPROVE THE DELIVERY OF NUTRITION EDUCATION PROGRAMS WITHIN THE PUBLIC SCHOOLS

OF HAWAII".

Your Committee on Higher Education and Committee on Education are in accord with the intent and purpose of H.C.R. No. 119, as amended herein, and recommends that it be referred to the Committee on Health for further consideration in the form attached hereto as H.C.R. No. 119, H.D. 1.

Signed by all members of the Committees.

SCRep. 1034-78 Education on H.R. No. 547

The purpose of this Resolution is to request the Department of Education to develop and implement a comprehensive system for alternative education programs for students who do not benefit fully from the regular program of studies.

Your Committee received testimony which concurred with the Resolution. Your Committee was gratified to learn that the DOE endorses the Resolution and intends to complete guidelines for alternative education programs. However, there is concern regarding the reluctance of DOE to assist and cooperate with other capable community agencies in initiating nonconventional alternative education projects and schools beyond those compensatory education projects currently underway in the department.

Your Committee learned of the gravity of the continuing problem of alienated youth in Hawaii's public schools. DOE-sponsored projects and programs have not changed the fact that over 500 students a year drop out of schools. Nor has there been any attempt by the DOE to estimate the number of youth attending school who are alienated from institutionalized education as now exists. When asked to discuss alternatives to minimize truancy, the position of the department seemed to be that of delegating the authority to set policy and procedure to school principals. This practice has led to a profusion of multiple sets of rules which often are in conflict and therefore are confusing to students and parents.

It is in this context that your Committee is disturbed by the uncompromising attitude of the department to disregard consideration of unconventional schools to stem the tide of rising rates of truancy and alienation. For example, when your Committee pointed out the apparent success of the occupational skills centers in the Los Angeles area, the DOE replied that such alternative schools unfortunately do not fit the overall administrative plan for education in Hawaii. It is the opinion of your Committee that student alienation, truancy, and apathy will remain at the present high levels if the singular means for offering secondary education continues to be the conventional high school.

Inasmuch as approximately 10 million dollars each year for the past decade has been allocated by federal and state sources for compensatory and alternative education in Hawaii, it is evident that the returns to the poor and alienated students have fallen far short of projected goals. Results of statewide reading tests continue to reveal low achievement levels although numerous projects and programs were initiated with what was considered to be ample funding. There appear to be several problems in the operation of these programs.

Many of the projects and programs are not designed or managed to provide long-term assistance to alienated youth. Projects destined for the poor and disenfranchised students are not administered efficiently to yield information for comparative purposes, specifically to ascertain feasibility and appropriateness of programs. Communication and cooperation seem minimal between various project personnel and regular classroom teachers and between parents and alternative project staff members. There is no coordinated system to deliver projected services. Guidelines for alternative programs are only now in the process of being completed; but a theoretical framework which the DOE considers vital in the development of subsequent plans for programming purposes is not yet formulated.

Inservice training of school and district personnel for the purpose of gaining skills to initiate and evaluate new alternative programs ostensibly were the outgrowth of a logical plan. However, the stated purpose of such training does not bear up when the workshops in question were conducted in the absence of both an articulated theoretical framework and the guidelines for operation.

This lack of a coordinated and coherent system based upon well grounded theory and appropriate strategy for delivery of services should be given high priority by the DOE. The DOE should develop a framework which includes anticipated goals, strategy for implementation, timetables, projected costs, and a list of priority programs. The DOE should pay particular attention to the fourth "Whereas" clause of this Resolution for other necessary

elements.

In reviewing any submission by the department in response to this Resolution your Committee will look for the degree to which the plans would provide other students besides those already alienated with greater options in education. For example, special alternative occupational programs may become necessary to accommodate special needs students with severe deficits as more of them enter the public schools. For those students with limited English speaking backgrounds, perhaps alternate programs that will fulfill the bi-lingual as well as occupational training needs simultaneously should be considered.

Unfortunately, your Committee believes that the DOE has not capitalized on all avenues to offer viable alternative programs. The utilization of students, parents, and community in formulating and operating alternative education efforts has been notably absent. Your Committee urges the expansion of participation of all segments of the community to provide youth with ample options for learning.

Your Committee on Education concurs with the intent and purpose of H.R. No. 547 and recommends that it be referred to your Committee on Finance for further discussion.

Signed by all members of the Committee.

SCRep. 1035-78 Judiciary on H.R. No. 371

The original purpose of this resolution is to commend the problems of pornographic films and advertising material in certain sensitive districts to the attention of the Council of the City and County of Honolulu and to inform the House of Representatives prior to March 31, 1978, of any action contemplated.

Your Committee amended the resolution by making reference to include the other councils of the various county governments. Your Committee also amended the date by which the counties are to inform the House of Representatives about any action taken or contemplated by changing the date from March 31, 1978 to March 31, 1979.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 371, as amended herein, and recommends its adoption in the form attached hereto as H.R. 371, H.D. 1.

Signed by all members of the Committee.

SCRep. 1036-78 Water, Land Use, Development and Hawaiian Homes on H.R. No. 548

The purpose of this resolution is to request the President of the Senate and the Speaker of the House to retain the present joint ad hoc committee on Kaho'olawe to continue overseeing the activities in this area; to present the study to the Congress and the President; to help develop ways for implementing the recommendations of the study; and to assure input by the various concerned groups and general public.

The Ad Hoc Committee on Kaho'olawe identified several major issues: conservation of the island; preservation, identification, restoration, and inventory of historical and archaeological sites; removal of cloven-hooved animals; development of an initial cleaning program for unexploded ordnance; and, the ultimate return of the Island to the State. Identification of these issues resulted from a thorough literature search and statewide meetings conducted by the Ad Hoc Committee on Kaho'olawe with people of varying educational, social, economic, occupational, and ethnic backgrounds, including archaeologists, historians, kupuna, and foresters, as well as the Navy and members of the Protect Kaho'olawe O'hana.

Your Committee feels the legislature should keep a close watch on any state and Navy activities on Kaho'olawe to assure the proper implementation of various recommendations.

The resolution has been amended by adding several WHEREAS clauses relating to a United States Federal District Court of Hawaii judgment and the legislatures recognition of the concept of aloha 'aina. Also, that the study stands as a statement by this State regarding the issue of Kaho'olawe.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 548, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 548, H.D. 1.

Signed by all members of the Committee except Representative Naito.

SCRep. 1037-78 Water, Land Use, Development and Hawaiian Homes on H.C.R. No. 121

The purpose of this resolution is to request the President of the Senate and the Speaker of the House to retain the present joint ad hoc committee on Kaho'olawe to continue overseeing the activities in this area; to present the study to the Congress and the President; to help develop ways for implementing the recommendations of the study; and to assure input by the various concerned groups and general public.

The Ad Hoc Committee on Kaho'olawe identified several major issues: conservation of the island; preservation, identification, restoration, and inventory of historical and archaeological sites; removal of cloven-hooved animals; development of an initial cleaning program for unexploded ordnance; and, the ultimate return of the Island to the State. Identification of these issues resulted from a thorough literature search and statewide meetings conducted by the Ad Hoc Committee on Kaho'olawe with people of varying educational, social, economic, occupational, and ethnic backgrounds, including archaeologists, historians, kupuna, and foresters, as well as the Navy and members of the Protect Kaho'olawe O'hana.

Your Committee feels the legislature should keep a close watch on any state and Navy activities on Kaho'olawe to assure the proper implementation of various recommendations.

The resolution has been amended by adding several WHEREAS clauses relating to a United States Federal District Court of Hawaii judgment and the legislatures recognition of the concept of aloha 'aina. Also, that the study stands as a statement by this State regarding the issue of Kaho'olawe.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.C.R. No. 121, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 121, H.D. 1.

Signed by all members of the Committee except Representative Naito.

SCRep. 1038-78 State General Planning on H.C.R. No. 127

The purpose of this concurrent resolution is to request the Commission on Population and the Hawaiian Future, with the assistance of the Department of Planning and Economic Development, to design a workable system for collecting migration data and to suggest possible statutory changes necessary to implement such a system.

According to the testimony presented before your committee, migration into the state now accounts for about one-half of Hawaii's population growth. While data on in-migration is currently being collected from various sources, only limited information on out-migration can be gathered intermittently. Act 103, SLH 1973 which mandated the development of an entry-exit census was never implemented due to numerous problems. Therefore, your Committee finds that there is a need to develop a feasible system for the continuing collection of accurate, comprehensive, and timely migration data which can be used to assess and formulate state population policies.

Testimony in support of H.C.R. No. 127 was presented by the Governor's Growth Management Task Force, the Commission on Population and the Hawaiian Future, the Department of Planning and Economic Development, the Department of Social Services and Housing, and Survey and Marketing Services Research.

Upon further consideration, your Committee has amended H.C.R. No. 127 to include another "Be it Resolved" clause requesting the Commission on Population and the Hawaiian Future, with the assistance of the Department of Planning and Economic Development, to investigate the possibility of obtaining federal funding to conduct population studies. Also, the second "Be it Resolved" clause has been incorporated into the first clause.

Your Committee on State General Planning concurs with the intent and purpose of H.C.R. No. 127, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 127, H.D. 1.

Signed by all members of the Committee.

SCRep. 1039-78 Education on H.R. No. 32 (Majority).

The purpose of this Resolution is to request a review of the Department of Education's program in public schools designed to bring about student awareness and understanding of the role of the business community in Hawaii.

Your Committee finds that there is a lack of information in public schools on the role of the business community in Hawaii. Since business industries have played such an important role in the success of Hawaii's economic prosperity, your Committee feels that it is of great importance that students have a better supportive understanding of the private enterprise system.

Your Committee has heard testimony from the Department of Education, the General Contractors Association of Hawaii, and other interested businessmen in favor of this Resolution. The Department of Education testified that the present curriculum in this area is adequate and that the DOE is constantly revising and improving the curriculum. Also, your Committee received from the DOE an information directory entitled: "Resource Personnel for Vocational-Technical Programs". This directory is a list of available resource people within the business community.

Your Committee finds that members of the business community are definitely in favor of helping to bring about greater student awareness and better student understanding of the role of business in Hawaii. During your Committee's hearing, people from the business community expressed their willingness to make themselves available to the public schools. However, your Committee finds that the DOE does not have prescribed procedures for teachers to follow in securing these resource speakers. The individual teacher has to do his/her own research in finding an appropriate speaker and make arrangements for a time and place to meet. Your Committee feels that teachers should be given more assistance in bringing in these types of resource people. It is in this area that your Committee feels that better communication between teachers, DOE administrators, and the business community must be established.

Your Committee on Education is in accord with the intent and purpose of H.R. No. 32 and recommends its adoption.

Signed by all members of the Committee.
(Representative Abercrombie did not concur).

SCRep. 1040-78 Legislative Management on H.C.R. No. 136

The purpose of this concurrent resolution requests that an interim committee consisting of members from the House and Senate Health Committees review the County/State Hospital System with emphasis on neighbor island county/state hospitals.

Your Committee is cognizant of the need to upgrade quality health care for the people of Hawaii, particularly the neighbor islands and is in agreement with the findings of the Committee on Health as expressed in Standing Committee Report No. 94178.

Your Committee on Legislative Management concurs with the intent and purpose of H.C.R. No. 136 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1041-78 Legislative Management on H.C.R. No. 112

The purpose of this concurrent resolution is to request the Legislative Auditor to conduct a management audit of the University of Hawaii system.

In 1973, the Legislative Auditor conducted a management audit of the Department of Education (DOE) and the findings of this overall system type of review proved to be very beneficial to the DOE as well as the Legislature. Your Committee finds that while the Legislative Auditor has completed audits on faculty workload and on faculty resource utilization in the College of Business, there has not been a complete review of the entire University of Hawaii system.

A management audit of the University system, at this time, would be in order especially in view of the University's overwhelmingly complex system organization and its increasing demand for State funds. The present system was created in 1969 to deal with the dimensions of the University's tremendous growth in numbers of campuses and student enrollment.

However, this system has involved an increasing number of multiple-levels of decision-making that have obscured accountability and permitted delays on vital decisions and actions, thereby causing a reflection detrimental to its students and faculty and to its reputation and stature locally and nationally.

Your Committee agrees with the Higher Education Committee that the Legislative Auditor would be more appropriate than a Blue Ribbon Committee to conduct an audit of such scope and magnitude. The Office of the Legislative Auditor is constitutionally established and has well-trained and experienced staff. The proposed Blue Ribbon Committee, on the other hand, does not have constitutional or statutory status. Moreover, your Committee is concerned that because the Blue Ribbon Committee is subject to appointment by a political entity, the public may question the integrity of the Committee even if it conducts an objective, thorough and honest review. Your Committee strongly feels that an audit as important as this should not have a "cloud" over its findings and recommendations.

Your Committee on Legislative Management concurs with the intent and purpose of H.C.R. No. 112 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1042-78 Finance on H.R. No. 540

The purpose of this resolution is to request action by the Governor, Board of Land and Natural Resources, Board of Water Supply, Department of Transportation, Department of Accounting and General Services and the City and County of Honolulu to implement a legislative policy that a major waterfront park be expeditiously developed on the Fort Armstrong-Kewalo Peninsula.

This resolution supports the need for additional waterfront parks and urban recreational facilities in Honolulu and the proposal that the Kakaako shoreline be converted to recreational purposes as recommended by the American Institute of Architects, April 9, 1974, and House Special Committee Report No. 4, February 8, 1977. Other studies by the Department of Planning and Economic Development and the Honolulu City Department of General Planning also endorse the waterfront recreational development of the Kakaako area.

Your Committee agrees with this resolution, but with the following amendments:

1. Delete the reference to the \$1,600,000 appropriation from the sixth WHEREAS clause on page 1.
2. Delete the fourth BE IT FURTHER RESOLVED clause on page 3 relating to a shoreline management permit.
3. Revise the first BE IT FURTHER RESOLVED clause on page 3 to read:

"BE IT FURTHER RESOLVED that the Department of Land and Natural Resources, working together with the Department of Transportation, plan an access into the park area through lands presently assigned to the Department of Transportation, more specifically identified as TMK 2-1-57; parts of 14 and 11, or through use of other roadway corridors; and"
4. Attach a revised map.

your Committee on Finance concurs with the intent and purpose of H.R. No. 540, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 540, H.D. 2.

Signed by all members of the Committee.

SCRep. 1043-78 Finance on H.C.R. No. 118

The purpose of this concurrent resolution is to request action by the Governor, Board of Land and Natural Resources, Board of Water Supply, Department of Transportation, Department of Accounting and General Services and the City and County of Honolulu to implement a legislative policy that a major waterfront park be expeditiously developed on the Fort Armstrong-Kewalo Peninsula.

This resolution supports the need for additional waterfront parks and urban recreational

facilities in Honolulu and the proposal that the Kakaako shoreline be converted to recreational purposes as recommended by the American Institute of Architects, April 9, 1974, and House Special Committee Report No. 4, February 8, 1977. Other studies by the Department of Planning and Economic Development and the Honolulu City Department of General Planning also endorse the waterfront recreational development of the Kakaako area.

Your Committee agrees with this resolution, but with the following amendments:

1. Delete the reference to the \$1,600,000 appropriation from the sixth WHEREAS clause on page 1.
2. Delete the fourth BE IT FURTHER RESOLVED clause on page 3 relating to a shoreline management permit.
3. Revise the first BE IT FURTHER RESOLVED clause on page 3 to read:

"BE IT FURTHER RESOLVED that the Department of Land and Natural Resources, working together with the Department of Transportation, plan an access into the park area through lands presently assigned to the Department of Transportation, more specifically identified as TMK 2-1-57; parts of 14 and 11, or through use of other roadway corridors; and"
4. Attach a revised map.

Your Committee on Finance concurs with the intent and purpose of H.C.R. No. 118, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 118, H.D. 2.

Signed by all members of the Committee.

SCRep. 1044-78 Finance on H.R. No. 471

The purpose of this resolution is to request the United States Congress to enact appropriate legislation which will transfer total responsibility for financing public assistance programs to the federal government.

Poverty is a national domestic problem warranting full scale assumption of responsibility by the federal government.

The responsibility for financing public assistance programs is presently shared by the state and federal governments. This arrangement has produced wide variations among the states and local jurisdictions in the quality and levels of public assistance programs.

There are obvious wide-spread disparities in the standards, eligibility requirements, and system for public assistance among the 50 states. Additionally, the financial responsibilities borne by the states are inequitably distributed.

Total federal responsibility for financing public assistance would be desirable to establish uniform, national public assistance standards to bring about a semblance of equity of benefits, and to release state funds for other needed human services.

Your Committee has revised this resolution to change the title and language to delete references to "administering" by the federal government.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 471, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 471, H.D. 1.

Signed by all members of the Committee.

SCRep. 1045-78 Finance on H.C.R. No. 95

The purpose of this concurrent resolution is to request the United States Congress to enact appropriate legislation which will transfer total responsibility for financing public assistance programs to the federal government.

Poverty is a national domestic problem warranting full scale assumption of responsibility

by the federal government.

The responsibility for financing public assistance programs is presently shared by the state and federal governments. This arrangement has produced wide variations among the states and local jurisdictions in the quality and levels of public assistance programs.

There are obvious wide-spread disparities in the standards, eligibility requirements, and system for public assistance among the 50 states. Additionally, the financial responsibilities borne by the states are inequitably distributed.

Total federal responsibility for financing public assistance would be desirable to establish uniform, national public assistance standards to bring about a semblance of equity of benefits and to release state funds for other needed human services.

Your Committee has revised this concurrent resolution to change the title and language to delete reference to: "administering" by the federal government.

Your Committee on Finance concurs with the intent and purpose of H.C.R. No. 95, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 95, H.D. 1.

Signed by all members of the Committee.

SCRep. 1046-78 Finance on H.R. No. 535

The purpose of this resolution is to request the Administrative Director of the State to review the feasibility of establishing a Career Executive Service and Management Compensation Plan as recommended by the Commission on the Organization of Government.

In 1976, the Commission on the Organization of Government considered issues of productivity and responsiveness in the career middle-management ranks of government service. A special concern in this regard was the development of methods to increase productivity and to effectively measure that productivity. The Commission found a need for clarification of performance, expectations, greater authority and accountability, and mutual goal setting by administrators and program managers.

On the basis of these observations, the Commission recommended the adoption of a Hawaii Career Executive Service and Management Compensation Plan. This resolution requests the State's Administrative Director to conduct an initial examination of the concepts embodied in the plan and to determine the feasibility and desirability of establishing such a plan. Your Committee is in agreement with this resolution and recommends that the Administrative Director submit a progress report in 1979. This resolution is accordingly amended.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 535, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 535, H.D. 1.

Signed by all members of the Committee.

SCRep. 1047-78 Finance on H.C.R. No. 115

The purpose of this resolution is to request the Administrative Director of the State to review the feasibility of establishing a Career Executive Service and Management Compensation Plan as recommended by the Commission on the Organization of Government.

In 1976, the Commission on the Organization of Government considered issues of productivity and responsiveness in the career middle-management ranks of government service. A special concern in this regard was the development of methods to increase productivity and to effectively measure that productivity. The Commission found a need for clarification of performance, expectations, greater authority and accountability, and mutual goal setting by administrators and program managers to increase productivity and efficiency.

On the basis of these observations, the Commission recommended the adoption of a Hawaii Career Executive Service and Management Compensation Plan. This resolution requests the State's Administrative Director to conduct an initial examination of the concepts embodied in the plan and to determine the feasibility and desirability of establishing such a plan. Your Committee is in agreement with this concurrent resolution and recommends that the Administrative Director submit a progress report in 1979. This concurrent resolution

is accordingly amended.

Your Committee on Finance concurs with the intent and purpose of H.C.R. No. 115, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 115, H.D. 1.

Signed by all members of the Committee.

SCRep. 1048-78 Finance on H.C.R. No. 114

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources to develop a current general plan for the continuing restoration of the Iolani Palace Complex and to submit the plan to the Legislature 40 days prior to the convening of the 1979 Regular Session.

There are no written plans or guidelines for the operations and management of the Iolani Palace Complex that adequately present a clear indication of the future direction of the restoration. In order to responsibly assess and provide the necessary resources for the continuing restoration of the Complex, your Committee agrees that such plans are essential.

Your Committee recommends that the sixth WHEREAS clause be amended to add language on the acquisition of artifacts and furnishings.

Your Committee on Finance concurs with the intent and purpose of H.C.R. No. 114, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 114, H.D. 1.

Signed by all members of the Committee.

SCRep. 1049-78 Legislative Management

Informing the House that House Resolution Nos. 661 to 663 and Standing Committee Report Nos. 979-78 to 1025-78, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 1050-78 Finance on H.R. No. 353

The purpose of this resolution is to request that the Department of Planning and Economic Development study the economic impact of a mandatory minimum deposit law on the State of Hawaii.

Your Committee believes that the deposit-and-return system, proposed to alleviate the problem of litter and waste disposal, will have an appreciable impact on certain commercial enterprises. However, your Committee finds that there is a need for this study for there is much conflicting information on the effects of a deposit-and-return system.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 353, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1051-78 Finance on H.C.R. No. 72

The purpose of this concurrent resolution is to request that the Department of Planning and Economic Development study the economic impact of a mandatory minimum deposit law on the State of Hawaii.

Your Committee believes that the deposit-and-return system, proposed to alleviate the problem of litter and waste disposal, will have an appreciable impact on certain commercial enterprises. However, your Committee finds that there is a need for this study for there is much conflicting information on the effects of a deposit-and-return system.

Your Committee on Finance concurs with the intent and purpose of H.C.R. No. 72, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1052-78 Finance on H.R. No. 460

The purpose of this resolution is to request that a feasibility study for a multi-purpose slaughterhouse complex on Oahu be conducted by the Department of Agriculture with the cooperation and assistance of the College of Tropical Agriculture of the University of Hawaii and the Agriculture Coordinating Committee, Office of the Governor, and that a report of findings and recommendations be submitted prior to the convening of the Regular Session of 1979.

Your Committee agrees that there is a real need for new slaughterhouse facilities on Oahu and that it is highly desirable in the interest of efficiency, convenience, and economy to locate the various slaughterhouse facilities and related processing plants in a common area. A study on the feasibility of such a complex should be undertaken as a joint effort by the Department of Agriculture, University of Hawaii and the Agriculture Coordinating Committee of the Governor's Office.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 460, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1053-78 Finance on H.C.R. No. 90

The purpose of this concurrent resolution is to request that a feasibility study for a multi-purpose slaughterhouse complex on Oahu be conducted by the Department of Agriculture with the cooperation and assistance of the College of Tropical Agriculture of the University of Hawaii and the Agriculture Coordinating Committee, Office of the Governor, and that a report of findings and recommendations be submitted prior to the convening of the Regular Session of 1979.

Your Committee agrees that there is a real need for new slaughterhouse facilities on Oahu and that it is highly desirable in the interest of efficiency, convenience, and economy to locate the various slaughterhouse facilities and related processing plants in a common area. A study on the feasibility of such a complex should be undertaken as a joint effort by the Department of Agriculture, University of Hawaii and the Agriculture Coordinating Committee of the Governor's Office.

Your Committee on Finance concurs with the intent and purpose of H.C.R. No. 90, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1054-78 Finance on H.R. No. 486

The purpose of this resolution is to request that the Department of Agriculture, in cooperation with the University of Hawaii's College of Tropical Agriculture, perform a study on the future economic viability of independent sugar growers to include research into alternative crops for sugar lands.

In 1972, the Board of Agriculture approved loans to 418 independent sugar cane growers along the Hamakua Coast to enable the formation of the Hilo Coast Processing Cooperative. Subsequently, as a result of declining sugar prices, the Board of Agriculture, in 1976, waived loan repayments for a period of two years through September, 1978.

In addition to the aforementioned assistance, under the provisions of Act 19, Special Session Laws of Hawaii, 1977, 163 supplementary loans totalling \$735,192 have been made to independent sugar growers to cover deficits on their 1976 crop loans from private lenders. Also, to encourage private lenders to continue financing the independent growers, loan guarantees to private lenders under the Agricultural Loan Program have been made. To date, up to \$5 million for 1,029 loans have been insured by the Board of Agriculture.

Your Committee agrees that all of these actions are temporary measures and are by no means a concerted effort to achieve a long-term solution to the economic problems confronting independent sugar growers. In order to keep the independent sugar growers'

future viable, it is imperative that research be conducted for economically viable crops other than sugar, on existing sugar land.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 486 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1055-78 Finance on H.C.R. No. 99

The purpose of this concurrent resolution is to request that the Department of Agriculture, in cooperation with the University of Hawaii's College of Tropical Agriculture, perform a study on the future economic viability of independent sugar growers to include research into alternative crops for sugar lands.

In 1972, the Board of Agriculture approved loans to 418 independent sugar cane growers along the Hamakua Coast to enable the formation of the Hilo Coast Processing Cooperative. Subsequently, as a result of declining sugar prices, the Board of Agriculture, in 1976, waived loan repayments for a period of two years through September, 1978.

In addition to the aforementioned assistance, under the provisions of Act 19, Special Session Laws of Hawaii, 1977, 163 supplementary loans totalling \$735,192 have been made to independent sugar growers to cover deficits on their 1976 crop loans from private lenders. Also, to encourage private lenders to continue financing the independent growers, loan guarantees to private lenders under the Agricultural Loan Program have been made. To date, up to \$5 million for 1,029 loans have been insured by the Board of Agriculture.

Your Committee agrees that all of these actions are temporary measures and are by no means a concerted effort to achieve a long-term solution to the economic problems confronting independent sugar growers. In order to keep the independent sugar growers' future viable, it is imperative that research be conducted for economically viable crops other than sugar, on existing sugar land.

Your Committee on Finance concurs with the intent and purpose of H.C.R. No. 99 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1056-78 Finance on H.R. No. 524

The purpose of this resolution is to request the Agriculture Coordinating Committee to establish policy guidelines for marketing development and product promotion programs. The use of a special logo is envisioned to serve as a centerpiece in product promotion purposes.

Your Committee agrees that state responsibility for the promotion of agricultural commodities should be more closely integrated to achieve greater efficiency and effectiveness.

Your Committee has amended the first BE IT RESOLVED clause to make a style change.

Your Committee on Finance is in accord with the intent and purpose of H.R. No. 524, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 524, H.D. 2.

Signed by all members of the Committee.

SCRep. 1057-78 Finance on H.C.R. No. 107

The purpose of this concurrent resolution is to request the Agriculture Coordinating Committee to establish policy guidelines for marketing development and product promotion programs. The use of a special logo is envisioned to serve as a centerpiece in product promotion purposes.

Your Committee agrees that state responsibility for the promotion of agricultural commodities should be more closely integrated to achieve greater efficiency and effectiveness.

Your Committee has amended the first BE IT RESOLVED clause to make a style change.

Your Committee on Finance is in accord with the intent and purpose of H.C.R. No. 107, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 107, H.D. 2.

Signed by all members of the Committee.

SCRep. 1058-78 Consumer Protection and Commerce on H.C.R. No. 98

The purpose of this concurrent resolution is to request television broadcasters in the State of Hawaii to adopt and adhere to policies of programming which will improve the quality of children's television and advertising thereon, consistent with the National Association of Broadcasters' Television Code, and with particular regard to the impact of such advertising on the nutrition of children.

Your Committee concurs with the findings of your Committee on Youth and Elderly Affairs as expressed in Standing Committee Report No. 937.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.C.R. No. 98 and recommends its adoption.

Signed by all members of the Committee except Representatives Naito and Nakamura.

SCRep. 1059-78 Consumer Protection and Commerce on S.C.R. No. 78

The purpose of this concurrent resolution is to request the Office of Consumer Protection, the Legislative Reference Bureau, and the Real Estate Commission to conduct a joint study of problems and concerns related to time sharing, property management, and enforcement of condominium laws; and to review the recommended Uniform Condominium Act of the National Conference of Commissioners on Uniform State Laws and evaluate proposals contained therein with respect to the problems experienced in this State.

This concurrent resolution further requires that the above mentioned agencies submit their findings, recommendations, and any proposed legislation to the next Legislature no later than twenty days prior to the convening of the 1979 Legislative Session and that the agencies develop their recommendations in consultation with residential condominium owners, group representing condominium owners, purchasers of time sharing units, and other related or potentially affected professional groups such as the Resort Developers Conference, the Institute of Real Estate Management (Hawaii Chapter), and the Hawaii Association of Realtors.

While in agreement with the intent and purpose of this concurrent resolution, your Committee believes that the scope of the study is far too ambitious given the time constraints involved and the complexities of the problems. Accordingly, your Committee, being of the opinion that the time sharing issue is the most critical one at this time, has amended this concurrent resolution for the purpose of limiting the scope of the study requested therein to such issue.

In addition, your Committee feels that requiring more than one agency to conduct the study may be counterproductive inasmuch as the scope of such study has been reduced to the time-sharing area and the time in which the study is to be conducted is limited. Accordingly, your Committee has further amended this concurrent resolution for the purpose of requesting only the Real Estate Commission to study the problem and concerns related to time sharing.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of S.C.R. No. 78, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.C.R. No. 78, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Naito.

SCRep. 1060-78 Higher Education on H.R. No. 275

The purpose of this resolution is to request the University of Hawaii to transfer a vacant 4.5 acre parcel of land between Frear Hall and Kanewai Field to the City and County of Honolulu for park and recreational purposes.

All of the testimonies presented to your Committee were strongly in favor of this resolution because of the increased demand in recent years for recreational facilities in this area near the University dorms. Further, the University testified that the land in question is already earmarked for recreational use in the University's Manoa Campus Plan. However, the University indicated that the development and use of this land should be in accordance with the Manoa Stream Park Conceptual Plan which is now being developed.

Your Committee agrees with the purpose of this resolution, however, it believes that the State should be cautious on matters dealing with land transfers. Therefore, your Committee amended the resolution to include an additional "BE IT RESOLVED" clause to provide for the return of the land to the University if the land is not used according to the purpose of this resolution.

The resolution was also amended in the fifth paragraph to insure conformance of the park development to the Manoa Park Stream Conceptual Plan. Finally, the resolution was amended in the last paragraph to include a certified copy of the resolution for the Department of Land and Natural Resources since the land would revert to that department if withdrawn from coverage under Executive Order No. 1807.

Your Committee on Higher Education concurs with the intent and purpose of H.R. No. 275, as amended herein, and recommends that it be referred to the Committee on Water, Land Use Development and Hawaiian Homes, in the form attached hereto as H.R. No. 275, H.D. 1.

Signed by all members of the Committee.

SCRep. 1061-78 Higher Education and Education on H.R. No. 258

The purpose of this resolution is to request the University of Hawaii College of Education to conduct a feasibility study concerning the inclusion of a health education course or program as a mandatory requirement in the elementary and secondary teacher preparation program.

Your Committees affirming that health education is essential to the welfare and well-being of the residents of Hawaii, believe this goal can be most effectively realized through the public education system, by having its teachers adequately educated in the area, so that the students may receive the proper health education instruction. There is, however, some doubt at present that this situation exists to a highly satisfactory degree at both the elementary and secondary school levels.

However, the Department of Education (DOE) testified that its standards for approving elementary teacher education programs do call for competence in subject areas, including health. At the secondary teacher education level, there is a DOE-approved program in health education. For secondary teachers (certified in subjects other than health), some health education background is considered beneficial to both students and teachers, although the Department does not feel it necessary to require the equivalent of a major in health for all teachers. Nevertheless, the Department does support the resolution with the amendments proposed by the Committee on Health.

Testimony from the University of Hawaii College of Education, also favorable, indicated it was currently undergoing a program review by the Department of Education on the former's preservice teacher education program and would be happy to include the health concerns of the Committee on Health. As far as inservice health education training and instruction, especially at the elementary school level, were concerned, the College of Education stated it would be most happy to cooperate with the DOE in this area.

Your Committees are happy to note that this resolution has, thus, the auspicious support of the two major parties concerned and believes that a feasibility study can be effectively carried out by the College of Education.

Your Committees on Higher Education and Education concur with the intent and purpose of H.R. No. 258, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1062-78 Water, Land Use, Development and Hawaiian Homes on H.R. No. 520

The purpose of this Resolution, as amended, is to request the department of land and

natural resources to perform a study relating to the flooding problems in the Ewa Plains area beginning from Honokai Hale to Ewa Beach, not including the Barbers Point military base, with focus upon the identification of the causes of the flooding and what alternative solutions appear feasible for implementation; and, that the department submit a report of its findings and recommendations including discussion of the availability of public funds for the implementation of a flood control project for said area.

Also, that the Soil Conservation Service, United States Department of Agriculture, the United States Army Corps of Engineers; the Departments of Land Utilization and General Planning, City and County of Honolulu; the Division of Environmental Protection and Health Services, Hawaii State Department of Health; and the West Oahu Soil and Water Conservation District are requested to cooperate with and assist the department of land and natural resources in performing the requested study.

Also, that the department of land and natural resources submit the requested report prior to the convening of the Regular Session of 1979.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 520, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 520, H.D. 1.

Signed by all members of the Committee except Representative Naito.

SCRep. 1063-78 Water, Land Use, Development and Hawaiian Homes on H.R. No. 586

The purpose of this resolution, as amended is to urge the Department of Land and Natural Resources to post haste implement the plans for the Makiki/Tantalus State Recreation Area and in doing so, to be cognizant of the multiple uses of the area wherein all interests are respected and satisfied, utilizing the moneys already appropriated and returning any unused portion to the State or requesting additional funds, as the case may be.

Also, that the Makiki/Tantalus facility be redesignated as a Recreational Facility and not a State Park as defined in Sec. 5202 of the Hawaii Revised Statutes.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 586, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 586, H.D. 1.

Signed by all members of the Committee except Representative Naito.

SCRep. 1064-78 Judiciary on H.R. No. 268

The purpose of this resolution is to extend the congratulations of the House of Representatives to Amnesty International for its outstanding work on behalf of prisoners of conscience and for the award of the Nobel Peace Prize.

Your Committee finds that Amnesty International is an organization of over 168,000 members in 107 countries dedicated to securing the release of individuals imprisoned solely for reasons of their political or religious convictions, their race or their sex. Your Committee further finds that because of its outstanding efforts, Amnesty International was awarded the Nobel Peace Prize in 1977.

Your Committee amended the resolution by deleting reference to an individual case adopted by the local chapter, because your Committee felt that such reference was inappropriate in a congratulatory resolution. Your Committee also corrected the date of award of the Nobel Peace Prize on page 2.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 268, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 268, H.D. 1.

Signed by all members of the Committee except Representatives Naito and Nakamura.

SCRep. 1065-78 Finance on H.R. No. 156

The purpose of this resolution is to evaluate the statutes that relate to spouse abuse.

Since there is very little documented information and statistics on incidences of spouse abuse in the State, the seriousness and extent of this problem warrant an evaluation of the effectiveness of the current law on spouse abuse.

The Department of Social Services has expressed its willingness to prepare a report of the findings and recommendations on this matter, and to submit the report to the legislature not less than twenty days prior to the convening of the Regular Session of 1979.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 156 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1066-78 Finance on H.R.No. 522

The purpose of this resolution is to request the Department of Health to develop recommendations for implementing a mandatory sanitation training course and certification program to reduce the high incidence of human Salmonellosis in Hawaii.

There is a need for sanitation training and certification in the food service industry nationally. This need has been recognized by the Food and Drug Administration, National Restaurant Association, National Institute for the Food Service Industry, and here in Hawaii by the Hawaii Restaurant Association and Hawaii Food Industry Association.

Your Committee recognizes that the Department of Health will need the full cooperation and assistance of the related organizations and agencies named in the resolution to attain the desired course and program stated in this resolution.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 522, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1067-78 Finance on H.R. No. 202

The purpose of the resolution is to urge the University of Hawaii to provide assistance within the guidelines and policies set forth by the Board of Regents to groups desiring to establish child care facilities and programs at all campuses of the University of Hawaii system for the use of students, faculty and staff.

While there is a growing interest among parents with young children to pursue a higher education, some are discouraged from entering the University of Hawaii system because on-campus child care is not available and off-campus child care is oftentimes too expensive or inconvenient. Your Committee agrees that there is a need for child care facilities in the University system.

Your Committee on Finance concurs with the intent and purpose of H.R. 202, H.D. 2, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1068-78 Finance on H.R. No. 414

The purpose of this resolution is to request the Department of Health, in consultation with the Employees' Retirement System, to conduct a study on the feasibility of re-employing patient residents of Kalaupapa Settlement who are retirees to perform maintenance and service functions necessary for the well-being of the settlement community.

The Department of Health has depended upon the availability of a patient labor force to perform many of the maintenance and service functions required at Kalaupapa Settlement. However, due to the treatment of newly discovered leprosy cases on an outpatient basis, the number of patient residents at Kalaupapa is decreasing. As the isolation of Kalaupapa adds to the difficulty of recruiting non-patient employees, the most practical solution to at least part of the Settlement's staffing problems appears to be tapping of the manpower available among the retired patient residents. Thus, the intent of this resolution is to

inquire into the feasibility of hiring retirees from among the resident patients of Kalaupapa without such retirees incurring any loss of pensions or other benefits.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 414 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1069-78 Finance on H.R. No. 338

The purpose of this resolution is to request the Department of Land and Natural Resources to conduct public hearings throughout the State to explore methods of meeting the needs of both recreational and commercial fishermen.

Your Committee finds that there is a growing competition between commercial and recreational fishermen. This is partly a result of the increased numbers of fishermen, as well as the apparent depletion of the varieties and numbers of fish. The role of pollution also needs to be explored. Management strategy, where commercial and recreational fishing appear to be in competition, appears necessary. The public hearings called for by this resolution may develop a more comprehensive understanding of the problem.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 338, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1070-78 Finance on H.R. No. 236

The purpose of this resolution is to request the Department of Education to report to the Legislature sixty days prior to the convening of the 1979 Legislative Session on the progress of planning implementation for full participation of girls in the athletic program.

Act 46, Session Laws of Hawaii 1976, explicitly states that, "No person in the State of Hawaii shall on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational or recreational program or activity receiving state or county financial assistance or utilizing State or County facilities.

Your Committee agrees that the requested progress report is in order. Your Committee has made clarifying technical amendments to this resolution.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 236, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 236, H.D. 1.

Signed by all members of the Committee.

SCRep. 1071-78 Finance on H.R. No. 591

The purpose of this resolution is to request the State Foundation on Culture and the Arts to submit a report to the Legislature prior to the 1979 session, of recommendations for a budgetary procedure and selection criteria for the acquisition of Hawaiian artifacts using funds from the Art in State Buildings program.

Section 103-8 of the Hawaii Revised Statutes provides that one per cent of the original construction cost of public buildings shall be used for the acquisition of portable or non-portable works of art. There are, however, no restrictions on the nature of the art work purchased.

A growing interest in the purchase and sale of Hawaiian artifacts through public auctions in Hawaii and abroad has attracted some concern for a State effort in the acquisition of these items as they become available. The nature of auctions, however, require a standing fund which would allow for bidding and immediate payment for acquisitions.

Your Committee has added clarifying language to the first "BE IT RESOLVED" clause.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 591, H.D.

1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 591, H.D. 2.

Signed by all members of the Committee.

SCRep. 1072-78 Finance on H.R. No. 590

The purpose of this resolution is to request the Department of Agriculture, through its Ad Hoc Advisory Committee on the Animal Quarantine Station, to investigate the possibility of renewed military assistance to the Halawa facility, and that a report of findings and recommendations be submitted prior to the convening of the Regular Session of 1979.

Your Committee recommends that the military be allowed proper participation through adequate representation on the Ad Hoc Advisory Committee.

Your Committee has revised this resolution to spelling of the word "usage".

Your Committee on Finance concurs with the intent and purpose of H.R. No. 590, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 590, H.D. 1.

Signed by all members of the Committee.

SCRep. 1073-78 Finance on H.R. No. 406

The purpose of this resolution is to request the Department of Land and Natural Resources to study the area at Onomea Bay at Hilo, Hawaii with a view towards assessing the feasibility of developing Onomea Park including projection of costs, property to be acquired, and other factors necessary to the realization of the park, and to submit a report of its findings and recommendations to the legislature prior to the Regular Session of 1979.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 406 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1074-78 Finance on H.R. No. 575

The purpose of this resolution is to request the Department of Health to redetermine the necessity and cost-benefit ratio of the visible emission limitations and the reasonableness of their impact on the sugar industry and to repeal or modify those limitations if it finds that they are unreasonable.

Your Committee agrees that requirements have been in existence since March, 1972 and with six years of experience and with new Clean Air Act enforcement requirements facing the industry, it may be an opportune time to reassess air pollution control strategy and the regulations necessary to meet ambient air quality standards.

Your Committee recommends that the Department of Health be given ample time to submit its findings and has revised the reporting date.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 575, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 575, H.D. 2.

Signed by all members of the Committee.

SCRep. 1075-78 Finance on H. R. No. 271

The purpose of this resolution is to establish a health counseling pilot project in public high schools which will provide counseling particularly in the areas of family planning and dealing with problems of adolescent pregnancy.

There is an indication that in 1976 approximately 34 per cent of Planned Parenthood's 10,726 patients were adolescents.

Your Committee recognizes a need for health counseling in public schools. Your Committee

supports this resolution and encourages the Department of Education and the Department of Health to make every effort to consult with parent groups on this matter.

Your Committee has amended this resolution to correct a spelling error.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 271, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 271, H.D. 2.

Signed by all members of the Committee.

SCRep. 1076-78 Finance on H.R. No. 514

The purpose of this resolution is to request 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.

Gifted and talented students of the public school system have long been without programs designed to augment their education, or programs which are intended to ensure that their specific educational needs are met to assure appropriate levels of achievement and accomplishment. There is a definite need to establish uniform standards and procedures for the identification of the specific abilities of students so that students can be matched with educational programs best suited to their individual needs.

Your Committee agrees that there needs to be uniform standards for identifying these gifted children and that these standards be used throughout all public schools.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 514 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1077-78 Finance on H.R. No. 74

The purpose of this resolution is to encourage the Judiciary to report on its activities regarding guardianship matters.

Evidence indicates that statistics are needed for those agencies who deal with these matters so that assistance can be offered to persons who may need a guardianship of some duration. Also, this information would be useful in referring individuals who may need a guardian to the resources that are available.

Your Committee agrees that the data received from this report could be a criteria for determinations in guardianship proceedings.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 74 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1078-78 Finance on H.R. No. 544

The purpose of this resolution is to request the Department of Land and Natural Resources to develop a plan for the establishment of a state land inventory system that shall include but not be limited to the following: (1) a detailed description of the inventory system that will identify the location, size, land use and zoning designation, and existing and potential land uses; (2) a description and analysis of the benefits application, and potential uses of such a system; (3) a timetable to implement such a system; and (4) a detailed cost analysis for the development and maintenance of such a system. The department is to submit its plan on a state land inventory system twenty days prior to the convening of the Regular Session of 1979.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 544 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1079-78 Finance on H.R. No. 464

The purpose of this resolution is to request the Department of Transportation to conduct a feasibility study for a sandy beach and comfort stations located next to Coconut Island, directly opposite Queen Liliuokalani Park, Hilo, Hawaii, and to include in this study a method of stabilizing the movement of sand from this location.

The lack of natural beaches in East Hawaii is of growing concern and disappointment to both visitors and residents alike. The nearest sandy beach is over thirty miles away at Kaimu Bay, Kalapana, and is often too rough for safe swimming. The location of beach park on Coconut Island would ideally serve the needs of the adjacent hotel district on Banyan Drive, as well as the nearby Hilo community.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 464, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1080-78 Finance on H.R. No. 506

The purpose of this resolution is to request the Governor of the State of Hawaii to establish a Washington Place Oversight Committee consisting of the spouse of the Governor, all former first ladies living in Hawaii and willing to serve as members, and six additional members. The activities of the Committee as outlined in the resolution are as follows:

- (1) Review and approve plans for major renovations to Washington Place;
- (2) Assist in developing plans for the restoration and preservation of Washington Place as a historic resource;
- (3) Assist in devising and coordinating programs which would enable the people of Hawaii to enjoy and share in the rich heritage of Washington Place;
- (4) Study and inquire into the possibility of acquiring for the renovation of Washington Place, any artifact or personal belonging of Queen Liliuokalani; and
- (5) Study the availability of private and governmental grants for the purpose of renovating, preserving, and restoring Washington Place.

As a residential historic site and museum, Washington Place serves as an eloquent and stately reminder of Hawaii's heritage. It was first registered as a historic site with the Hawaii Register of Historic Places in May of 1972. On September 22, 1975, it was re-registered as a part of the Hawaii Capitol Historic District.

The traditional responsibility of restoring the furnishings and buildings of the executive mansion has been with the first lady. This has been no simple task as each first lady has been left to seek out her own historical resources and references. In this respect, the efforts of the present first lady deserve commendation.

The establishment of an Oversight Committee as an advisory group would serve to provide a consistency and continuity in the restoration of Washington Place while maintaining its historical authenticity. At the same time such an advisory group would best be able to assess the needs, considerations and goals in developing a master plan prior to any major restoration work to the executive mansion.

Your Committee agrees that consideration be given to include among the membership of the Washington Place Oversight Committee, a representative of the Historic Site Division of the Department of Land and Natural Resources, the Department of Accounting and General Services, and a historian archaeologist or authority familiar with, and knowledgeable in Hawaiian history and artifacts.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 506 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1081-78 Judiciary on H.R. No. 383

The purpose of this resolution is to request that the Hawaii Commission on Crime investigate the relation between the victims of crimes and the criminal justice system and to research and recommend a plan for a criminal victims assistance program, which is to be bound by certain conditions. The Commission is to submit its findings, recommendations, and plan to the Legislature at least twenty days prior to the convening of the Regular Session of 1979.

Your Committee finds that very often attention and resources are focused almost exclusively on the perpetrator of a crime, with little support and aid rendered to the victims. Although the State does have an established criminal injuries compensation program, your Committee finds that receipt of such compensation often takes long periods of time, when assistance to victims is needed immediately after a crime occurs so as to avoid possible financial disaster.

Your Committee on Judiciary concurs with the intent and purpose of H.R. No. 383 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1082-78 Health on S.C.R. No. 24 (Majority).

The purpose of this concurrent resolution is to endorse and encourage increased efforts to improve the access of Hawaii's people to reproductive health care and to provide a policy foundation for the development of reproductive health programs especially for the disadvantaged.

Your Committee finds that access to reproductive health care is in the vital interest of the community. It enhances the health and well-being of the community, particularly the health and well-being of women and of the children they bear.

Your Committee further finds that the cost of failure to ensure access to reproductive health care is a burden which ultimately society bears since it may result in unwanted pregnancies.

Your Committee on Health concurs with the intent and purpose of S.C.R. No. 24 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.
(Representative Sutton did not concur).

SCRep. 1083-78 Energy and Transportation on H.R. No. 581

The purpose of this resolution is to request that a comprehensive study of the Hawaii Water Carrier Act be conducted to ascertain and solve any problems or shortcomings contained therein or created thereby.

Your Committee on Energy and Transportation concurs with the intent and purpose of H.R. No. 581, H.D. 1 and recommends it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1084-78 Energy and Transportation on H.R. No. 113

The purpose of this resolution is to request that the Department of Health conduct a study to determine the amount of pollution caused by buses, the extent to which pollution would be reduced by conversion to overhead exhaust systems, and the costs involved in conversion.

Your Committee on Energy and Transportation concurs with the intent and purpose of H.R. No. 113 and recommends it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1085-78 Energy and Transportation on H.R. No. 117

The purpose of this resolution is to request the Director of Transportation to study and propose appropriate amendments to the State Harbors Master Plan for 1995 which would provide for the orderly and long-term expansion of commercial and recreational facilities and service systems, and to develop a timetable of boat launch development and maintenance.

Your Committee on Energy and Transportation concurs with the intent and purpose of H.R. No. 117 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1086-78 Health, Public Assistance and Human Services and Youth and
Elderly Affairs on H.R. No. 516

The purpose of this resolution is to request the Department of Social Services and Housing to develop and implement a transportation program for residents of care homes and adult family boarding homes and to submit a progress report to the Legislature prior to the convening of the Regular Session of 1979.

Your Committees are in agreement that residents of care homes and adult family boarding homes should not be denied access to services and programs in the community solely because they lack transportation to the program sites.

Testimony from the Department of Social Services and Housing indicates that in order to develop and implement the program as requested in the resolution, the Department would need to study and evaluate the current transportation resources and gaps for the residents. Up to now, no such evaluations have been made and, therefore, the specific needs, cost factors and parameters are not known.

As a result of this testimony, your Committees agreed to amend the BE IT RESOLVED paragraph as follows:

"BE IT RESOLVED by the House of Representatives of the Ninth Legislature of the State of Hawaii, Regular Session of 1978, that it requests the Department of Social Services and Housing to develop a transportation program plan for care home and boarding home residents in order that all factors may be known; and"

Your Committees are concerned about the increasing costs borne by the home operators in providing care and boarding home services. In view of this concern, the Department of Health was asked to develop and submit a reasonable rate structure that might be passed in the next session.

Therefore, your Committees have further amended this resolution by inserting a WHEREAS paragraph (third paragraph) and a BE IT FURTHER RESOLVED paragraph (eleventh paragraph) to reflect their concerns.

Your Committees on Health, Public Assistance and Human Services, and Youth and Elderly Affairs concur with the intent and purpose of H.R. No. 516, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 516, H.D. 1.

Signed by all members of the Committee.

SCRep. 1087-78 Culture and the Arts and Water, Land Use Development and
Hawaiian Homes on S.C.R. No. 99

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources to develop a current general plan for the continuing restoration of the Iolani Palace Complex and to submit the plan to the Legislature 40 days prior to the convening of the 1979 Regular Session.

There exists to date, no written plans or guidelines for the operations and management of the Iolani Palace Complex that adequately present a clear indication of the future direction of the restoration. In order to responsibly assess and provide the necessary resources for the continuing restoration of the Complex, your Committees believe that such plans are essential.

Your Committees on Culture and the Arts, and Water, Land Use Development and Hawaiian

Homes concur with the intent and purpose of S.C.R. No. 99 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1088-78 Legislative Management

Informing the House that House Resolution Nos. 664 to 673 and Standing Committee Report Nos. 1027-78 to 1048-78, have been printed and distributed,

Signed by all members of the Committee.

SCRep. 1089-78 Agriculture on H.R. No. 135

The purpose of this resolution is to request the State Board of Agriculture to critically examine the adequacy of the state farm loan program with a view toward the removal of obstacles which hinder the efficient and timely processing of loan applications.

Your Committee has learned that the Legislative Auditor in his Audit Report No. 1978-1, February 1978 entitled "FINANCIAL AUDIT OF THE LOAN AND GRANT PROGRAMS OF THE DEPARTMENT OF AGRICULTURE" released in early April, cites numerous irregularities in the administration and operation of the various loan and grant programs established pursuant to chapter 155, Agricultural Loans, Hawaii Revised Statutes. Your Committee has also learned that the Board of Agriculture has taken issue with or the characterization of many of the findings, conclusions, and recommendations.

Your Committee finds and believes that a comprehensive review of the audit report findings including direct review of the administration and operations of the loan programs in the DOA may be a prudent next step for your Committee to undertake.

Accordingly, your Committee has amended the title and body of the resolution as appropriate, to provide for a comprehensive review during the 1978 interim period and release of a special committee report by your Committee prior to the convening of the Regular Session of 1979.

Your Committee on Agriculture concurs with the intent and purpose of H.R. No. 135, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 135, H.D. 1.

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

SCRep. 1090-78 Public Employment and Government Operations on S.B. No. 1639-78
(Majority)

The purpose of this bill is to amend Section 88-24, Hawaii Revised Statutes, to require members of the Board of Trustees of the Employees' Retirement System who are nominees of the Governor to be appointed with the advice and consent of the Senate.

Your Committee finds that under Section 26-34, relating to the selection and terms of members of State boards and commissions, the appointment of members of the Board of Trustees of the Employees' Retirement System is exempted from the requirement of confirmation by the Senate. Your Committee finds further, that under the current provisions of Section 88-24 relating to the composition of the Retirement System Board of Trustees, the Governor has the authority to appoint three of the seven trustees without Senate approval. This statutory provision is inconsistent with the general selection and appointment procedures established for all other State boards and commissions. Under this bill, the appointment of Retirement System trustees who are nominated by the Governor would be subject to the advice and consent of the Senate.

Your Committee on Public Employment and Government Operations is in accord with the intent and purpose of S.B. No. 1639-78 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.
(Representative Peters did not concur).

SCRep. 1091-78 Energy and Transportation on H.R. No. 286

The purpose of this resolution is to urge the United States Army Corps of Engineers, the State Department of Transportation, the City and County of Honolulu Departments of Transportation Services and Parks and Recreation, in consultation with representatives of the Mahinui Community Association, the Keapuka Community Association, and the Kaneohe Neighborhood Board, to expediate decide on the matter regarding access thoroughfare possibilities to the Hoomaluhia Recreational Park.

Your Committee on Energy and Transportation concurs with the intent and purpose of H.R. No. 286, H.D. 1 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1092-78 Energy and Transportation on H.R. No. 519

The purpose of this resolution is to focus attention on the inadequacies of Fort Weaver Road in Ewa, Oahu and to request the Department of Transportation to submit a report on prior actions and future plans for the improvement of Fort Weaver Road.

Testimony submitted to your Committee by the department of transportation supported the intent and purpose of this resolution.

Your Committee has amended the resolution to delete reference to Act 218, SLH 1973, as it was not adopted. The resolution has also been amended to provide that a report be submitted to the Legislature forty-five days after the Regular Session of 1978.

Your Committee on Energy and Transportation concurs with the intent and purpose of H.R. No. 519, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 519, H.D. 1.

Signed by all members of the Committee except Representative Mizuguchi.

SCRep. 1093-78 Water, Land Use, Development and Hawaiian Homes and Ecology and Environmental Protection on H.R. No. 594

The purpose of this resolution is to request the City and County of Honolulu's Department of Parks and Recreation to investigate the feasibility of constructing a jogging path through Pearl Harbor Park; that the jogging path considered be a portion of, contiguous to, or totally separate and distinct from the existing bikepath; that the Department consult with the Pearl City Community Association in conducting the investigation; that the investigation also consider any jurisdictional problems which may occur with the state government, and make recommendations for the alleviation of the problem; and that a report of the findings and recommendations be submitted to the Legislature at least twenty days prior to the convening of the Regular Session of 1979.

Many people of the Pearl City and Aiea area jog on the bikepath which stretches along Pearl Harbor's shore from the Pearl City Recreation Center to the Pearl Harbor landing. This bikepath is becoming congested and jurisdictional problems occur between joggers, bicyclists, and moped riders creating a hazardous situation.

Your Committees feel this situation must be ameliorated and accidents avoided, and the separation or demarcation of a jogging path from the bikepath may be necessary.

Your Committees on Water, Land Use, Development and Hawaiian Homes, and Ecology and Environmental Protection concurs with the intent and purpose of H.R. No. 594 and recommends its adoption.

Signed by all members of the Committee except Representative Naito.

SCRep. 1094-78 Housing on H.R. No. 567

The purpose of this resolution is to request that each county prepare a report on its implementation of the park dedication law as set forth by Section 46-6, Hawaii Revised Statutes.

Your Committee is aware that at present the cost to the subdivider of paying the park

dedication fee is passed on to the homebuyer. However, this does not guarantee the homebuyer will ever receive any direct benefit in the form of new or improved parks or recreational areas in the immediate vicinity.

Your Committee has amended this resolution to require the counties to include in their reports an inventory of all park land presently available to the counties, the relationship of the lands to the population, the amounts of money from all sources other than the park dedication ordinance for park acquisition and maintenance, and a breakdown of how that sum relates to the amount collected under the park dedication ordinance.

Your Committee has further amended this resolution by requiring that the counties submit their report to the Legislature at least 60 days prior to the convening of the Tenth Legislative Session, 1979.

Your Committee on Housing is in accord with the intent and purpose of H.R. No. 567, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 567, H. D. 1.

Signed by all members of the Committee except Representative D. Yamada.

SCRep. 1095-78 Consumer Protection and Commerce on H.R. No. 487

The purpose of this resolution is to request television broadcasters in the State of Hawaii to adopt and adhere to policies of programming which will improve the quality of children's television and advertising thereon, consistent with the National Association of Broadcasters' Television Code, and with particular regard to the impact of such advertising on the nutrition of children.

Your Committee concurs with the findings of your Committee on Youth and Elderly Affairs as expressed in Standing Committee Report No. 936.

Your Committee on Consumer Protection and Commerce is in accord with the intent and purpose of H.R. No. 487 and recommends its adoption.

Signed by all members of the Committee except Representative Naito.

SCRep. 1096-78 Public Employment and Government Operations and Finance on
S.C.R. No. 71

The purpose of this resolution is to approve the report of the biennial review of the Compensation Plan of the State, the Judiciary and the counties by the Conference of Personnel Directors and the Public Employees' Compensation Appeals Board, including the cost of any adjustments effective July 1, 1978.

Your Committees find that Sections 77-4 and 77-5 of the Compensation Law require the personnel directors of the State, the Judiciary, and the several counties to meet in joint conference each odd-numbered year to review the general condition of the compensation plan for civil service employees and to recommend a tentative compensation plan to the Public Employees' Compensation Appeals Board (PECAB). PECAB then proceeds to conduct hearings for pricing appeals from affected persons and parties and to make final adjustments to the tentative compensation plan. Following the final adjustment, the Conference of Personnel Directors is required to submit to the Legislature, through the Office of the Governor, a report setting forth the final compensation plan and the cost thereof for its information and approval. The intent of this resolution is to approve that report which was submitted to the Legislature on January 28, 1978.

Testimony received by your Committees was supportive of the adoption of this resolution.

Your Committees on Public Employment and Government Operations and Finance concur with the intent and purpose of S.C.R. No. 71 and recommend its adoption.

Signed by all members of the Committees.

SCRep. 1097-78 Water, Land Use, Development and Hawaiian Homes and Ecology
and Environmental Protection on S.C.R. No. 103

The purpose of this concurrent resolution is to request the Board of Land and Natural

Resources to add to the master plan for the development, conservation and use of water, the quantity and quality of the natural water resources in the State on an island by island basis, the amount of water resources which has been developed, the amount remaining undeveloped, whether and to what extent sources currently being used are being depleted or degraded in quality, the amount of water development required annually to keep up with increasing demand, the cost of such development, and the adverse effects of further development upon existing water sources and uses and that this report, with supporting documentation, be submitted annually to the legislature twenty days prior to the convening of the regular sessions.

Your Committees on Water, Land Use, Development and Hawaiian Homes, and Ecology and Environmental Protection concur with the intent and purpose of S.C.R. No. 103 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Naito and Toguchi.

SCRep. 1098-78 Water, Land Use, Development and Hawaiian Homes on S.C.R. No. 73

The purpose of this concurrent resolution is to request that the Congress of the United States reduce the base flood standard of the National Flood Insurance Act from 100 years to 50 years.

The National Flood Insurance Act of 1968 defines "base flood" as the flood having a one-percent chance of being equaled or exceeded in any given year, and utilizes this definition in determining "areas of special flood hazard" or "coastal high hazard areas". In order for communities to qualify for subsidized federal flood insurance under this Act, local governments must impose specific development restrictions and requirements for construction in locations designated as areas of special flood hazard or coastal high hazard area.

Testimony has indicated that it can reasonably be anticipated that the effect of new codes and ordinances be anticipated that the effect of new codes and ordinances which conform to these federal requirements will be to economic detriment of the community at large, and that the State of Hawaii, plagued by spiraling housing costs and an absence of great amounts of developable land, can ill afford to restrict the availability of reasonably priced housing and opportunities for economic development by the application of unreasonable building limitations. Moreover, it was noted that increasingly sophisticated early warning systems have significantly reduced the hazards of loss of life or personal injury from storm surf and tsunami in the State of Hawaii, and that a fifty year standard would adequately preserve the intent and produce the effects desired by the Flood Insurance Act.

Your Committee, therefore, finds that the adoption of a fifty year standard would more realistically represent the economic life of structures, reduce pressure of urbanization on agricultural and conservation lands, and reduce the detrimental effects of building restrictions while adequately protecting and preserving the intent of the Flood Insurance Act requirements.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of S.C.R. No. 73 and recommends that it be referred to the Committee on Housing.

Signed by all members of the Committee except Representatives Naito and Toguchi.

SCRep. 1099-78 Water, Land Use, Development and Hawaiian Homes on S.C.R. No. 74

The purpose of this concurrent resolution is to request the Council of Housing and the Construction Industry to examine the economic impact of the restrictions and requirements of the National Flood Insurance Act.

The National Flood Insurance Act of 1968 defines "base flood" as the flood having a one-percent chance of being equaled or exceeded in any given year, and utilizes this definition in determining "areas of special flood hazard" or "coastal high hazard areas". In order for communities to qualify for subsidized federal flood insurance under this Act, local governments must impose specific development restrictions and requirements for construction in locations designated as areas of special flood hazard or coastal high hazard areas.

Testimony has indicated that it can reasonably be anticipated that the effect of new codes

and ordinances which conform to these federal requirements will be to the economic detriment of the community at large, and that the State of Hawaii, plagued by spiraling housing costs and an absence of great amounts of developable land, can ill afford to restrict the availability of reasonably priced housing and opportunities for economic development by the application of unreasonable building limitations.

Federal regulations provide a means whereby communities may obtain certain exemptions from the standards of the Flood Insurance Act where they can demonstrate severe hardship or gross inequity due to extraordinary circumstances or local conditions. Consequently, while your Committee recognizes that the intent of Flood Insurance Act restrictions is to minimize loss of life and property due to flood, storm surf or tsunami; it also recognizes the necessity of a thorough examination of the economic impact of Flood Insurance Act restrictions and requirements in Hawaii in order to insure that they do not generate extreme or unnecessary hardship on the residents of this State.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of S.C.R. No. 74, S.D. 1 and recommends that it be referred to the Committee on Housing.

Signed by all members of the Committee except Representatives Naito and Toguchi.

SCRep. 1100-78 Water, Land Use, Development and Hawaiian Homes on S.C.R. No. 65

The purpose of this resolution is to request the State Department of Transportation to study the feasibility of transferring its real property acquisition functions to either the Department of Accounting and General Services or to the Department of Land and Natural Resources.

Presently, the Department of Land and Natural Resources is charged with the responsibility of acquiring all real property required by the State of public purposes, except where rules governing the use of federal funds provide for acquisition by the department or agency that will actually use the land. This has resulted in performance of land acquisition functions by two State agencies: the Division of Land Management of the Department of Land and Natural Resources and the Rights-of-Way Branch of the Department of Transportation, which has responsibility for acquiring real property for highway purposes.

Acquisition of real property for highway purposes is decreasing. The Department of Transportation needs to maintain a sufficient workforce to comply with Federal Aid highway rules, and has a substantially staffed acquisition unit as compared to the Department of Land and Natural Resources which has a small unit. The Department of Accounting and General Services has no such unit but has general responsibility for the building and maintenance of improvements on public properties.

The intent of this resolution is to determine the feasibility and desirability of incorporating the real property acquisition function of the Department of Transportation within the Department of Accounting and General Services or the Department of Land and Natural Resources so as to eliminate functional duplication and to achieve greater efficiency in government operations.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of S.C.R. No. 65, S.D. 1, H.D. 1 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Naito and Toguchi.

SCRep. 1101-78 Water, Land Use, Development and Hawaiian Homes on S.C.R. No. 60

The purpose of this concurrent resolution is to request the State Department of Transportation, the State Department of Land and Natural Resources, and the Counties to develop jogging trails throughout the State and to make jogging and running safer by separating joggers and runners from motor vehicles.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of S.C.R. No. 60, S.D. 1 and recommends that it be referred to the Committee on Energy and Transportation.

Signed by all members of the Committee except Representatives Naito and Toguchi.

SCRep. 1102-78 Ecology and Environmental Protection and Health on S.C.R. No. 84

The purpose of this concurrent resolution is to request that the Department of Health review the current air pollution control regulations and ambient air quality standards.

Requirements relative to mass emissions limitations and visible emission limitations have been in effect for six years and provide an adequate experience base for a review. The Clean Air Act Amendments of 1977 will require adjustments, making this review even more timely.

Your Committee on Ecology and Environmental Protection and your Committee on Health concur with the intent and purpose of S.C.R. No. 84, S.D. 1, and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Garcia, Naito, Carroll, Narvaes and Sutton.

SCRep. 1103-78 Energy and Transportation on H.R. No. 566

The purpose of this resolution is to provide for an interim committee composed of members of the House Committee on Energy and Transportation to study and review the State highway system and proposed modes of mass transit.

In recent years the State's rapid economic growth and increasing population have produced a pressing demand for efficient land transportation systems. Already in Honolulu freeway demand exceeds capacity during morning and afternoon peak periods.

Your Committee finds that further improvement and expansion of the existing network of highways and streets must be carefully examined to determine the most appropriate utilization of the State's limited land area and economic resources.

On April 4, 1978, the Department of Transportation submitted a status report on the most feasible methods of improving the safety and increasing the capacity of interstate route H-1 from Middle Street to Ainakoa Avenue and plans to implement the Makai Boulevard concept. Your Committee finds that the interim would provide reasonable time to review and evaluate this and other reports.

In addition, testimony presented to your Committee by the Department of Transportation advises that any mass transit system that is approved in the future must be integrated with the State highway system and closely coordinated with all responsible agencies at the earliest stage possible. Issues such as the preemption of freeway lanes for mass transit use should also be resolved.

Your Committee finds that the interim would provide sufficient time to study and evaluate the development and integration of the State's land transportation system, including a report on the Makai Boulevard concept.

Your Committee on Energy and Transportation concurs with the intent and purpose of H.R. No. 566 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Peters, Stanley and Suwa.

SCRep. 1104-78 Energy and Transportation on H.R. No. 427

The purpose of this resolution is to request the Committee on Energy and Transportation to review the 1976 Memorandum of Intent and Coral Sales Agreement Outline (land exchange agreement) between the State of Hawaii and James Campbell Estate and to report its findings and recommendations to the House of Representatives prior to the close of the Regular Session of 1978. This resolution was introduced pursuant to the recommendations contained in Special Committee Report No. 5-78 on the 1995 Master Plan for Honolulu Harbor.

Testimony presented by the Department of Transportation supported the land exchange

agreement as presently drafted. According to the Department of Transportation, purchase of the Estate's lands in fee by the State is not feasible because it does not meet the criteria specified in Act 218-74 Session Laws of Hawaii, and because it would require the State to pay the Estate \$10.1 million for land acquisition and \$6.5 million for the rental of coral stockpile lands. The department noted that Act 218-74, Session Laws of Hawaii, moneys can be appropriated for the development of Barbers Point Harbor only if the State can obtain the land for the harbor, less dredge spoils, at no cost to the State. Consequently, while conducting the negotiations with Campbell Estate, the department has considered that the land itself, plus any dredge spoils from Estate land, belong to the Estate.

The department also testified that under the State's mineral rights law, coral is not a mineral; and even if it were to be argued that coral is a mineral, the Land Court documents pertaining to the Estate lands in question do not contain any mineral rights' exceptions or reservations. Therefore, the Estate owns any coral or coral spoils derived from Estate lands.

Testimony by James Campbell Estate was in support of the land exchange agreement and described in detail the historical development of plans for a second deep-draft harbor at Barbers Point, Oahu. The Estate described the coral sales contract which it is negotiating with a private coral processor, and estimated that the proceeds from the sale of coral spoils under this contract coupled with an increase in the value of adjacent Estate-owned lands over time would, on a present worth basis, closely equal the value of the land conveyed to the State.

During public hearings on this resolution, the First Report of the Guardian ad Litem for James Campbell Estate was circulated among your Committee members and the following statements were noted:

"Even if we were to assume that the compensation to the Estate in the form of proceeds from the spoils sales contract does not amount to the fair market value of the land being conveyed, we think that the transaction would still be desirable and valid.... Even if the degree of impact of such a facility were to be speculation only, we do note that in the past, in the State of Hawaii and elsewhere, the development of harbor facilities have resulted in the enhancement of land values for lands surrounding such facilities."

Your Committee noted a discrepancy between the department's contention that the Estate is taking a risk by entering into the coral sales agreement and the Guardian ad Litem's optimism about the expected increases in land enhancement values to adjacent Estate-owned lands.

The Ho'Ala Kanawai ("Awakening the Law") testified in support of a review of the land exchange agreement as it relates to the question of mineral rights. The group testified that in their opinion coral is a mineral defined under Section 181-1, Hawaii Revised Statutes, and all proceeds from the sale of coral spoils are covered under the 5(f) reservation of the Admissions Act. If a corporation is established to oversee the disposition of coral spoils, the Ho'Ala Kanawai requested that it be established pursuant to the Admissions Act reservation of coral sales proceeds to the trust's beneficiaries.

Testimony from the Waianae Land Use Concerns Committee opposed the development of the proposed Barbers Point Harbor and requested a thorough investigation of land enhancement values to Campbell Estate from the construction of the deep-draft harbor. The Committee also expressed its concern that the sale of coral spoils from both Campbell Estate lands and State lands may be a violation of the State of Hawaii's Trust for the Hawaiian People established under Section 5(f) of the Admissions Act.

The University of Hawaii Environmental Center raised several questions about the impact of the harbor's construction on surrounding agricultural land use patterns, its relationship to the State's controlled growth policy and possible adverse impacts on the harbor's operation due to long-term surging effects within the harbor as presently designed. The Environmental Center recommended a continuing study of the surge problem by the Army Corps of Engineers, and the Department of Transportation testified that supplemental funding had been requested by the Corps to conduct such a study.

Oral testimony by Mr. Scott Sullivan of the Army Corps of Engineers revealed that the State's matching contribution to the dredging of Barbers Point Harbor is currently authorized at 2.1 percent, or less than one million dollars. The Hawaii Office of the Army Corps of Engineers has submitted a post-authorization memo to the Secretary of the Army which recommends an increase in the State's matching contribution to 4.4 percent. Based upon the amount of benefits which will accrue to non-national interests under the Memorandum of Intent and coral sales agreement outline, the Secretary of the Army has taken a position that the State's matching share should be as high as 9 or 10 percent.

If the State's matching contribution to harbor dredging is raised above 4.4 percent, the Department of Transportation has testified that both Congress and the State Legislature will have to appropriate additional funds for harbor dredging.

During an extensive discussion of the land exchange agreement, the Department of Transportation stated that while the State may observe the negotiations by Campbell Estate to establish a coral sales corporation, the State is bound to approve, accept and abide by the terms of this contract unless it is unreasonable or not in the best interests of the State. Your Committee believes that there are significant risks to the State under the land exchange agreement and has made the following recommendations to the Department of Transportation: (1) at a minimum, the State should retain an equal voice with James Campbell Estate in the selection of an administrator to oversee the activities of the coral sales corporation; (2) the State should require that there be a termination provision in the contract in the event that the State finds it necessary or desirable to terminate the agreement; (3) the corporation should be prohibited under the contract from subleasing any of its interests or operations without prior approval by the State; and (4) the House of Representatives should be kept informed about the status of the coral sales contract negotiations.

Finally, your Committee finds that the population projections which were used to develop the 1995 Master Plan for Honolulu Harbor have been revised downward by the Department of Planning and Economic Development. Specifically, under the 2-F population series released in March 1978 it is expected that there will be 122,000 less people and 100,000 less jobs on Oahu than projected by the Department of Planning and Economic Development's earlier E-2 projections for the year 2000. Your Committee is deeply concerned about the impact of these revised population and employment projections upon the viability of a second deep-draft harbor on Oahu and has requested the Department of Transportation to submit new and revised harbor development plans and cost/revenue projections based upon the new State population information.

Your Committee has amended the resolution to conform more precisely with the technical provisions of the coral sales agreement outline as presented to the Committee.

Your Committee on Energy and Transportation concurs with the intent and purpose of H.R. No. 427, as amended herein, and recommends that it be referred to the Committee on Water, Land Use Development and Hawaiian Homes in the form attached hereto as H.R. No. 427, H.D. 1.

Signed by all members of the Committee except Representatives
Abercrombie and Stanley.

SCRep. 1105-78 Judiciary on S.B. No. 2596-78

The purpose of this bill is to repeal Chapter 621C relating to witness immunity and to replace it with a new witness immunity statute providing for transactional and use immunity.

The bill provides that when a person has been or may be subpoenaed to testify or to produce a record, document, or other object in official proceedings conducted under authority of a court or grand jury, an agency of the State, either house of the Legislature, a joint committee of the two houses, or a committee or subcommittee of either house, the attorney general or county prosecutor may apply to the circuit courts for an order requiring the person to testify or to produce the item, even if the person refuses to do so on the basis of his privilege against self-incrimination. The application and order must specify whether the immunity granted is use immunity or transactional immunity. The order could be issued prior to the person's asserting the privilege against self-incrimination but would not be effective until he or she asserts the privilege.

Under a use immunity order, the testimony or production ordered and any information obtained directly or indirectly therefrom cannot be used against the person in a criminal case. However, that person may be prosecuted as long as testimony or production compelled under the order and any information directly or indirectly obtained therefrom is not used in prosecuting that person.

Under a transactional immunity order, when testimony or production is required of a person, he will be immune from any criminal prosecution concerning any act, transaction, matter or thing about which he was required to testify or produce any records, documents or objects.

Failure to testify or produce after being granted immunity may be punishable as contempt.

Your Committee finds that the immunity statute proposed in this bill, combining transactional immunity, contained in the present statute, with use immunity, will afford more flexibility to law enforcement agencies in the prosecution of crimes.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 2596-78, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Baker.

SCRep. 1106-78 Judiciary on S.B. No. 1649-78

The purpose of this bill is to authorize the Department of Health to accept adoption decrees of courts of foreign countries involving persons born in Hawaii. Section 338-20(b), presently limits acceptance of adoption decrees to those rendered by Hawaii courts and courts of other states and territories subject to the jurisdiction of the United States.

Your Committee heard testimony from the Department of Health stating that the provision would be consistent with the proposed national model vital statistics law which has a provision for acceptance of foreign adoption decrees or certified abstract of such decrees. The department also testified that adoption of the provision will benefit persons born in Hawaii who are adopted in foreign countries by enabling them to have new birth certificates issued reflecting their adoptive names and personal particulars of their adoptive parents, rights which are presently available only to persons whose adoptions were decreed in American courts. Adoption of the provision will also save the adoptive parents from having to repeat the adoption procedure in the United States.

Your Committee was informed that adoption of the provision will not affect immigration proceedings, as such proceedings are controlled by federal statute without reference to state adoption statutes.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1649-78 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1107-78 Judiciary on S.B. No. 1824-78

The purpose of this bill is to allow a minor to receive counseling services relating to alcohol or drug abuse. The bill provides that the counselor may but need not inform spouses, parents, custodians or guardians of any minor who requests, is referred for, or received such counseling services. If a minor consents to receive such counseling services, the spouse, parents, custodian, or guardian would not be liable for any legal obligations or costs resulting from furnishing such services. The minor would be required to assume financial responsibility. The bill also provides a two-year statute of limitations on actions to recover any debt arising out of the furnishing of such services. The action may not commence until the minor attains majority.

Your Committee recognizes that drug and alcohol abuse is a problem which has involved increasing numbers of minors in recent years. Your Committee finds that counseling is one of the main forms of therapy for such problems. However, it is felt that many minors are reluctant to seek such help where their parents or guardians must be informed of such counseling activity. Your Committee believes that the bill will encourage teenagers with drug and alcohol problems to seek help.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1824-78, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1108-78 Judiciary on S.B. No. 1919-78

The purpose of this bill is to provide that certain felony offenders against elderly or

handicapped persons may be sentenced to an extended term of imprisonment where the court finds that commitment of the offender for an extended term is necessary for the protection of the public. The court would first have to find that serious bodily injury was inflicted upon an elderly or handicapped person; that such disability was known or reasonably should be known to the offender; and that murder, rape, robbery, felonious assault, burglary or kidnapping was attempted or committed. Under present law, offenders found to be persistent offenders, professional criminals, dangerous persons, and multiple offenders may be sentenced for extended terms of imprisonment.

Your Committee finds that crimes against the elderly and handicapped are a significant problem. Your Committee further finds that the elderly and handicapped are generally unable to protect themselves and are less able to withstand the effects of offenses committed against them. Your Committee believes that such crimes warrant more serious punishment.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1919-78 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1109-78 Judiciary on S.B. No. 2545-78

The purpose of this bill is to authorize the court, in sentencing a person convicted of a felony to be placed on probation, to require that the person serve a term of imprisonment not exceeding one year as an additional condition of probation.

Present law permits the court, when it sentences a person convicted of either a felony or a misdemeanor to be placed on probation, to require that person to serve a term of imprisonment not exceeding six months. Your Committee believes that because of the difference between misdemeanor and felony offenses, the court should have the discretion to impose a longer term of imprisonment as a condition of probation for convicted felons.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 2545-78 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1110-78 Judiciary on S.B. No. 1664-78

The purpose of this bill is to amend Section 235-116, Hawaii Revised Statutes, to provide that all tax returns and information required to be filed under this chapter shall be confidential, including any copy of any portion of a federal return which may be attached to a State tax return, or any information reflected in the copy of such federal return.

The Internal Revenue Code, Section 6103(p)(8) prohibits, after December 31, 1978, the disclosure of federal tax return information to states requiring the filing or reporting of federal tax return information and which have not adopted provisions of law protecting the confidentiality of federal tax return information.

Your Committee was informed that Section 235-116, Hawaii Revised Statutes, does not meet the standards of Section 6103(p)(8) of the Internal Revenue Code because it does not specifically provide that returns are confidential. Thus, this bill will conform the Hawaii statutory provision with the requirements of the Internal Revenue Code and eliminate any possibility of problems with Internal Revenue Service on the confidentiality of federal tax return information required by or furnished to the State.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1664-78, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1111-78 Judiciary on S.B. No. 2147-78 (Majority)

The purpose of this bill is to provide a statute of limitations for actions on debts arising out of the provision of medical care and services to minors under Chapter 577A.

Under that chapter, minors, who are pregnant or who have venereal disease, are afforded the right to medical care and services without parental consent. Removing the requirement of parental consent was intended to encourage minors to seek early treatment. Section 577A-4 requires the minor to assume financial responsibility for medical care and services rendered in his or her behalf, and further provides that no spouse, parent, custodian, governmental agency or third party payor whose consent has not been obtained or who has no prior knowledge of the minor's consenting to provision of medical care can be held liable for the costs incurred by the minor.

The bill permits medical care providers the opportunity to pursue payment from the minor within two years after he or she reaches majority, should it become necessary to do so.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 2147-78 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.
(Representatives Uechi and Ueoka did not concur.)

SCRep. 1112-78 Judiciary on S.B. No. 1705-78

The purpose of this bill is to increase from \$10,000 to \$20,000 the jurisdictional limit of the court clerk with respect to small estates of persons who die leaving no known relatives. This bill corrects an inconsistency in the statutes since the jurisdictional limit for other small estates is \$20,000.

Your Committee on Judiciary is in accord with the intent and purpose of S.B. No. 1705-78 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1113-78 Legislative Management

Informing the House that House Resolution Nos. 674 to 679, Standing Committee Report Nos. 1050-78 to 1087-78, and Conference Committee Report Nos. 1 to 4, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 1114-78 Legislative Management on H.R. No. 34

The purpose of this resolution is to request that the counties of the State re-evaluate their duties under Section 46-6, Hawaii Revised Statutes, so as to ensure that the park dedication statute is being implemented equitably and efficiently in each county.

The resolution also provides guidelines by which the various counties are requested to consider in their re-evaluations.

Finally, the resolution further provides that the counties are to transmit their re-evaluations to the House Committee on Water, Land Use, Development, and Hawaiian Homes, and the House Committee on Housing who are requested to hold a joint public hearing during the interim to review the park dedication statute with its ramifications and to prepare a report to be submitted to the Legislature at least 20 days prior to the convening of the Tenth Legislature, Regular Session, 1979.

Your Committee believes that this is a problem requiring the attention of both houses of the Legislature and thus amended the resolution by providing that the Senate Committees on Housing and Hawaiian Homes, on Ecology, Environment and Recreation, and on Inter-Government Relations be invited to participate in the joint hearing and in the preparation of a report containing findings and recommendations.

Your Committee on Legislative Management concurs with the intent and purpose of H.R. No. 34, H.D. 2, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 34, H.D. 3.

Signed by all members of the Committee.

SCRep. 1115-78 Consumer Protection and Commerce and Judiciary on H.R. No. 495

The purpose of this resolution, as amended, is to request the counties of the State to incorporate in their respective zoning and other appropriate ordinances and rules, a provision to protect the sunrights of property owners.

Your Committees concur with the findings of your Committee on Water, Land Use, Development and Hawaiian Homes as expressed in Standing Committee Report No. 982-78.

Your Committees on Consumer Protection and Commerce and Judiciary are in accord with the intent and purpose of H.R. No. 495, H.D. 1, and recommend its adoption.

Signed by all members of the Committees except Representative Naito.

SCRep. 1116-78 Employment Opportunities and Labor Relations on S.C.R. No. 15

The purpose of this concurrent resolution is (1) to urge prompt certification by the United States Secretary of Labor pursuant to the Occupational Safety and Health Act of 1970, PL 91-596 and (2) to request Hawaii's congressional delegation to review the intent of the Federal OSHA Law to ascertain whether it was the intent of Congress to encourage State innovation and development of OSHA programs under general Federal OSHA guideline and standards and to support the State's efforts to gain certification.

Act 57 of Session Laws of Hawaii 1972 established the Hawaii Occupational Safety and Health Law which became effective on May 16, 1972. In January 1974, the United States Secretary of Labor approved the proposed State of Hawaii Occupational Safety and Health Plan which replaced the former Industrial Safety Division. Both public and private sector employers and employees believe that Hawaii's Occupational Safety and Health program achieves the purposes and objectives of an occupational safety and health program. Nevertheless, the State operates the program with uncertainty as it has not been fully certified by the United States Secretary of Labor. Full certification will permit the State to operate the program with certainty and confidence.

Your Committee agrees with testimony presented that certification as identified in the OSH Act as a program milestone, is important to the morale and motivation of program personnel and to the credibility of the program in the eyes of employers and employees.

Your Committee on Employment Opportunities and Labor Relations concurs with the intent and purpose of S.C.R. No. 15 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1117-78 Finance on S.C.R. No. 99

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources to develop a current general plan for the continuing restoration of the Iolani Palace Complex and to submit the plan to the Legislature 40 days prior to the convening of the 1979 Regular Session.

There are no written plans or guidelines for the operations and management of the Iolani Palace Complex that adequately present a clear indication of the future direction of the restoration. In order to responsibly assess and provide the necessary resources for the continuing restoration of the Complex, your Committee agrees that such plans are essential.

Your Committee recommends that the sixth WHEREAS clause be amended to add language on the acquisition of artifacts and furnishings.

Your Committee on Finance concurs with the intent and purpose of S.C.R. No. 99, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 99, H.D. 1.

Signed by all members of the Committee.

SCRep. 1118-78 Finance on H.R. No. 520

The purpose of this resolution is to request the Department of Land and Natural Resources to perform a study relating to the flooding problems in the Ewa Plains area beginning from Honokai Hale to Ewa Beach, not including the Barbers Point military base, with focus upon the identification of the causes of the flooding and what alternative solutions appear feasible for implementation; and, that the department submit a report of its findings and recommendations including discussion of the availability of public funds for the implementation of a flood control project for said area.

Also, that the Soil Conservation Service, United States Department of Agriculture, the United States Army Corps of Engineers; the Departments of Land Utilization and General Planning, City and County of Honolulu; the Division of Environmental Protection and Health Services, Hawaii State Department of Health; and the West Oahu Soil and Water Conservation District are requested to cooperate with and assist the Department of Land and Natural Resources in performing the requested study.

The requested report is to be submitted prior to the convening of the Regular Session of 1979.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 520, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1119-78 Finance on H.R. No. 374

The purpose of this resolution is to request the Department of Health to present a plan for the implementation of a routine scoliosis screening program in Hawaii's public schools.

When scoliosis is detected early, most spinal curvatures can be prevented from getting worse by means of a spinal brace.

Scoliosis screening is a very simple procedure and can be learned very easily in a short period of time.

The Department of Health and the Department of Education have already implemented a pilot scoliosis screening program at Kaimuki Intermediate School. The Department of Health will report the results of this program prior to the next session of the Legislature.

Your Committee is in agreement that a scoliosis screening program should be implemented as soon as possible.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 374, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1120-78 Finance on S.C.R. No. 78

The purpose of this concurrent resolution is to request the Real Estate Commission to conduct a joint study of problems and concerns related to time sharing, and to review the recommended Uniform Condominium Act of the National Conference of Commissioners on Uniform State Laws.

This concurrent resolution further requires that the findings, recommendations, and any proposed legislation be submitted to the next Legislature no later than twenty days prior to the convening of the 1979 Legislative Session and that the recommendations be developed in consultation with residential condominium owners, groups representing condominium owners, purchasers of time sharing units, and other related or potentially affected professional groups such as the Resort Developers Conference, the Institute of Real Estate Management (Hawaii Chapter), and the Hawaii Association of Realtors.

Your Committee has amended this resolution to correct a spelling error in the penultimate "BE IT RESOLVED" clause.

Your Committee on Finance is in accord with the intent and purpose of S.C.R. No. 78, S.D. 1, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 78, S.D. 1, H.D. 2.

Signed by all members of the Committee.

SCRep. 1121-78 Finance on H.R. No. 113

The purpose of this resolution is to request that the Department of Health conduct a study to determine the amount of pollution caused by buses, the extent to which pollution would be reduced by conversion to overhead exhaust systems, and the costs involved in conversion.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 113 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1122-78 Finance on H.R. No. 258

The purpose of this resolution is to request the University of Hawaii College of Education to conduct a feasibility study concerning the inclusion of a health education course or program as a mandatory requirement in the elementary and secondary teacher preparation program.

Health education is essential to the welfare and well-being of the residents of Hawaii, and teachers in the public education system should be able to provide proper health education instruction.

The Department of Education (DOE) standards for approving elementary teacher education programs call for competence in subject areas, including health. At the secondary teacher education level, there is a DOE-approved program in health education. For secondary teachers (certified in subjects other than health), some health education background is considered beneficial to both students and teachers, although the Department does not feel it necessary to require the equivalent of a major in health for all teachers.

Your Committee agrees that there exists a need for this feasibility study.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 258, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1123-78 Finance on H.R. No. 117

The purpose of this resolution is to request the Director of Transportation to study and propose appropriate amendments to the State Harbors Master Plan for 1995 which would provide for the orderly and long-term expansion of commercial and recreational facilities and service systems, and to develop a timetable of boat launch development and maintenance.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 117 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1124-78 Finance on H.R. No. 581

The purpose of this resolution is to request that a comprehensive study of the Hawaii Water Carrier Act be conducted to ascertain and solve any problems or shortcomings contained therein or created thereby.

The Hawaii Water Carrier Act was in 1974. After four years' experience with the Act, it is evident that some modification is necessary as evidenced by the number of proposals which have appeared to modify the Act.

This resolution would request the Public Utilities Commission, the Public Utilities Division, the Department of Regulatory Agencies and Young Brothers, Ltd., and other interested parties to discuss possible solutions to the problems posed by the Hawaii Water Carrier Act and to recommend possible corrective legislative action in response thereto.

Your Committee on Finance is in accord with the intent and purpose of H.R. No. 581, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1125-78 Finance on H.R. No. 383

The purpose of this resolution is to request that the Hawaii Commission on Crime investigate the relation between the victims of crimes and the criminal justice system and to research and recommend a plan for a criminal victims assistance program, which is to be bound by certain conditions. The Commission is to submit its findings, recommendations, and plan to the Legislature at least twenty days prior to the convening of the Regular Session of 1979.

Your Committee agrees that too often there is little support and aid rendered to victims of crimes. Although the State does have an established criminal injuries compensation program, receipt of such compensation is not immediately after a crime occurs.

Your Committee further agrees that the Criminal Injuries Compensation Commission should be consulted in this investigation.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 383 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1126-78 Finance on H.R. No. 547

The purpose of this Resolution is to request the Department of Education to develop and implement a comprehensive system for alternative education programs for students who do not benefit fully from the regular program of studies.

The gravity of the continuing problem of alienated youth in Hawaii's public schools is cause for concern. DOE-sponsored projects and programs have not changed the fact that over 500 students a year drop out of schools. The position of the Department of Education on truancy appears to be that of delegating the authority to set policy and procedure to school principals. This practice has led to a profusion of rules which often are in conflict and confusing to students and parents.

Your Committee agrees that student alienation, truancy, and apathy will remain at the present high levels if the singular means for offering secondary education continues to be the conventional high school.

Inasmuch as approximately 10 million dollars each year for the past decade has been allocated by federal and state sources for compensatory and alternative education in Hawaii, it is evident that the returns to the poor and alienated students have fallen far short of projected goals. Results of statewide reading tests continue to reveal low achievement levels although numerous projects and programs were initiated with what was considered to be ample funding. There appear to be several problems in the operation of these programs.

Many of the projects and programs are not designed or managed to provide long-term assistance to alienated youth. Projects destined for the poor and disenchanting students are not administered efficiently to yield information for comparative purposes, specifically to ascertain feasibility and appropriateness of programs. Communication and cooperation seem minimal between various project personnel and regular classroom teachers and between parents and alternative project staff members. There is no coordinated system to deliver projected services.

The need for a coordinated and coherent system for alternative education programs based upon well grounded theory and appropriate strategy for delivery of services should be given high priority by the DOE. The DOE should develop a framework which includes anticipated goals, strategy for implementation, timetables, projected costs, and a list of priority programs. In this regard, your Committee directs particular attention to the fourth "Whereas" clause of this Resolution.

Any submission by the department in response to this Resolution should include plans which would provide other students besides those already alienated with greater options in education.

The DOE should capitalize on all avenues to offer viable alternative programs. The utilization of students, parents, and community in formulating and operating alternative education efforts has been notably absent. Your Committee urges the expansion of participa-

tion of all segments of the community to provide youth with ample options for learning.

Your Committee fully appreciates the concerns expressed in House Standing Committee Report No. 1034-78.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 547 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1127-78 Finance on H.R. No. 373

The purpose of this resolution is to request that the Chairman of the Board of Land and Natural Resources initiate an exchange of state land for 23.6 acres of oceanfront property at Mahaiula, Hawaii.

Mahaiula is fronted on the oceanside with a beautiful white sand beach which would lend to the development of the acreage as a public recreation area. Also, an archaeological survey conducted in 1930 identified a number of sites of historic interest, including Hawaiian dwelling units, animal enclosures, game sites, walled pools and a fishing heiau on the beach, and also identified a number of petroglyphs in the area surrounding Mahaiula.

The acquisition of the 23.6 acres of Mahaiula would serve the interest of the citizens of Hawaii by allowing the development of a public recreation area and the preservation of several historic sites.

Your Committee has amended the title and the first BE IT RESOLVED clause to clarify the intent of this resolution and to indicate that the exchange is subject to legislative disapproval.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 373, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 373, H.D. 1.

Signed by all members of the Committee.

SCRep. 1128-78 Finance on H.R. No. 334 (Majority)

The purpose of this Resolution is to request the Governor to direct the Board of Land and Natural Resources to initiate negotiations to exchange available State lands for the historic Kamoia Point complex on the shores of Holualoa Bay in Kona.

The complex contains a total of 48 historic sites, and has qualified for the State Register of Historic Sites.

The preservation of these sites would serve as a means of interpreting and understanding many of the prehistoric concepts of Hawaiian warfare, religion and way of life. The maintenance and preservation of the integrity and character of ancient Hawaiian sites is in the best interest of all the people of Hawaii.

Your Committee has amended the title and the first BE IT RESOLVED clause to clarify the intent of this resolution and to indicate that the exchange is subject to legislative disapproval.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 334, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 334, H.D. 1.

Signed by all members of the Committee.
(Representative Sutton did not concur.)

SCRep. 1129-78 Water, Land Use, Development and Hawaiian Homes on S.C.R. No. 97

The purpose of this concurrent resolution is to request a review of the possible transfer of certain State parks to County jurisdiction by Executive Order.

Your Committee finds that the Commission on Organization of Government, in its report

of February, 1977, proposed specific criteria to facilitate the recognition of functional differences between State and County parks, thus enabling State and County governments to improve upon deliverance of services to the public.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of S.C.R. No. 97 and recommends its adoption.

Signed by all members of the Committee except Representative Garcia.

SCRep. 1130-78 Water, Land Use, Development and Hawaiian Homes on H.R. No. 275

The purpose of this resolution, as amended, is to request the University of Hawaii to transfer 4.5 acres of land under Executive Order #1807 to the City and County of Honolulu for park and recreational purposes which conform to the Manoa Park Stream Conceptual Plan, and that after a two year period ending June 30, 1980, if the City and County of Honolulu has not used the land according to the purposes stated in this resolution, the land shall be returned to the University of Hawaii.

In recent years, there has been an increased demand for recreational facilities in this area near the University dorms. The 4.5 acre parcel of land between Frear Hall and Kanewai Field has already been earmarked for recreational use in the University's Manoa Campus Plan. Kanewai Field, located at the perimeter of the Manoa Campus is a public recreational facility but is frequently used by the University students, thereby limiting the use of the facility by residents of the surrounding community.

Your Committee feels this parcel of land is ideally located to supplement the needed recreational facilities for both the students of the University and the residents of St. Louis Heights and the Kanewai area.

However, your Committee feels that both the County and State departments involved with recreational facilities must become more cognizant of the recognition of functional differences between State and County parks thus enabling both governments to improve upon the deliverance of services to the public.

The resolution has been amended by specifying a two year time limit instead of four years as there is a critical need for this additional park space.

Your Committee on Water, Land Use, Development and Hawaiian Homes concurs with the intent and purpose of H.R. No. 275, H.D. 1, as amended herein, and recommends that it be adopted in the form attached hereto as H.R. No. 275, H.D. 2.

Signed by all members of the Committee except Representative Garcia.

SCRep. 1131-78 Ecology and Environmental Protection and Water, Land Use, Development and Hawaiian Homes on S.C.R. No. 92

The purpose of this concurrent resolution is to indicate support for the efforts of the Department of Health in revising the existing water quality standards to include considerations for the protection of human health, water quality, and water-based ecosystems.

Your Committee on Ecology and Environmental Protection and your Committee on Water, Land Use Development and Hawaiian Homes concur with the intent and purpose of S.C.R. No. 92, S.D. 1, and recommend its adoption.

Signed by all members of the Committees except Representatives Garcia, Naito and Carroll.

SCRep. 1132-78 Health on H.R. No. 543

The purpose of this Resolution is to request that the Department of Education, in cooperation with the University of Hawaii, improve the delivery of nutrition education programs within the public schools.

Your Committee feels that many of Hawaii's school children have poor eating habits and do not have nutritionally balanced diets. This is especially alarming since it is during the adolescence years that the nutritional value of an individual's diet is of extreme importance. Nutritional deficiencies during adolescence may impair growth and the

ability to withstand infectious diseases.

Your Committee is especially concerned about the School Lunch Program in Hawaii since it represents approximately sixteen per cent of the average students' annual food consumption. This program, with proper research and administration, can be an efficient intervention program aimed at correcting nutritional deficiencies of our students.

Your Committee on Health concurs with the intent and purpose of H.R. 543, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1133-78 Public Employment and Government Operations and Finance on
S.C.R. No. 114

The purpose of this resolution is to request the personnel directors of the State, the Judiciary and of the several counties to review the compensation plans covering the secretarial classes of the civil service and to report their findings with recommendations for the timely correction of any perceived inequities.

Your Committees find that the compensation plans required under the provisions of Sections 77-4 and 77-5, Hawaii Revised Statutes, relating to civil service classes within the State, the Judiciary, and county governments, typically provide for a two step differential in the clerical and secretarial series. However, this is not the result of a legal requirement, nor is it technically necessary. Testimony presented by the Department of Personnel Services indicated that what is required are that 1) classes which are substantially equal are assigned to the same salary range and that 2) significant differences between classes are reflected in the relative difference of their assignment to pay ranges. For example, one must consider the relationship of the secretarial classes to other related classes such as Clerk Stenographer and Private Secretary, as well as the relative differences between levels within the secretarial series itself. Therefore, depending on the pricing of related classes and the relative difference between classes, a one step differential may be as appropriate as a two or three step differential.

Testimony further revealed that the current and proposed pricing of the secretarial series is a result of several events. The classes were established as part of the clerical survey in 1975. The Public Employees' Compensation Appeals Board took action on the pricing of those classes in 1976, and finally, the current Public Employees' Compensation Appeals Board has submitted further pricing actions which are presently pending review by the Legislature.

The intent of this resolution is to request the personnel directors to further review the compensation plan to determine whether there are any pricing inequities within the secretarial series relative to the considerations discussed above. As further revealed by the testimony received, your Committees note that the personnel directors are limited in the action they can take to adjust salary range assignments. While they can establish and price new classes, they do not have the option of changing the pricing of existing classes. Such repricing can only be accomplished during the biennial review of the compensation plan by the Conference of Personnel Directors and the Public Employees' Compensation and Appeals Board.

Your Committees on Public Employment and Government Operations and Finance concur with the intent and purpose of S.C.R. No. 114, S.D. 1 and recommend its adoption.

Signed by all members of the Committees.

SCRep. 1134-78 Agriculture on H.R. No. 476

The purpose of this resolution is to request your Committee to hold a hearing to ascertain what specific actions are being implemented by the State Department of Agriculture and other responsible agencies of the State of Hawaii to ensure the lifting of the ban without delay, including steps being taken to preclude the issuance of bans in the future. The resolution also asks your Committee to submit a report of its findings and recommendations prior to the adjournment of the Regular Session of 1978.

Your Committee held a public hearing on March 21, 1978 and received written testimony from the State Board of Agriculture, the State Department of Health, the Hawaii Farm Bureau Federation, and from a pediatrician in private practice in Honolulu. Subsequent to this

public hearing, follow-up testimony dated April 4, 1978 was received from the State Department of Health and the Island Pork Producer's Cooperative submitted testimony by letter dated April 1, 1978.

Your Committee's study, thus far, reveals the following findings:

(1) Salmonella or the genus Salmonellosis consists of more than 1700 serotypes and variants. These organisms, with a few exceptions, are primary pathogens for animals that are readily transmitted to humans. The outstanding exception is "S. typhi", a parasite only of man, and which is not believed to cause disease in lower animals. Human infection with Salmonella may be manifested through acute gastroenteritis, enteric fever (paratyphoid fever), bacteremia, or localized metastatic infection at almost any site. The clinical syndromes resulting from Salmonella infection cannot always be sharply differentiated and sometimes overlap;

(2) According to at least one highly reputable technical publication, "The greatest single source of...disease is poultry products, including chickens, turkeys, ducks, and eggs. Other animal meats, especially pork, beef, and lamb, also serve as sources of infection.";

(3) Certain ethnic groups in Hawaii rely heavily upon hog viscera products as a dietary need;

(4) The existing ban on the sale of hog viscera on Oahu ordered by the State Department of Agriculture effective February 21, 1978 continues to be in effect as of this writing and the curtailment of the sale of hog viscera according to testimony received from the Island Pork Producer's Cooperative is resulting in heavy financial losses to Oahu's pork producers and the pork industry in general;

(5) Factors contributing to or causing the sharp spiraling in the incidence of Salmonella contamination detected from among specimens sampled on Oahu in recent months appear attributable to improper handling by consumers, negligence at the wholesale and retail levels, lack of adequate inspection resources available to responsible agencies of the State, and the less than adequate sanitary conditions at the one hog slaughtering plant on Oahu;

(6) The rates of Salmonella infection in Hawaii residents during the past fifteen years have been at least seven times higher than the national average;

(7) The epidemiology of Salmonella infection in Hawaii is complex and not due to any single cause or simple pattern;

(8) Neither the Department of Health nor the Department of Agriculture reportedly has had sufficient resources to establish scientific proof to define the quantitative contribution of hog viscera contamination to the Salmonellosis infection rate. On the other hand, significant epidemiological evidence has been accumulated in the last decade to connect hog viscera contamination as the single most important contributor to the whole problem.

(9) Laboratory studies since 1976 have demonstrated that as many as 75 per cent of hog viscera market samples were contaminated by various species of Salmonella bacteria and that this finding was the basis for the ban ordered in February 1978;

(10) Since the imposition of the February ban, the Department of Agriculture has studied some modifications of the pasteurization process that might permit the removal of the ban and provide a reasonably clean and safe product for human consumption;

(11) While there is some preliminary evidence that the current ban is reducing the frequency of contamination and infection, it will not be possible to collect convincing data until June or July of 1978; and

(12) At least six months of study and data collection will be required to evaluate the success or failure of a modified pasteurization process that may be approved by the Department of Agriculture on the assumption that the Department of Health or Department of Agriculture have adequate laboratory resources to perform the required testing.

Your Committee finds that without having access to key data relating to the Salmonellosis issue including the data being sought in items (11) and (12) immediately preceding, a report from your Committee as requested in House Resolution No. 476 must await the receipt of further information to enable evaluation and decision making.

Your Committee has accordingly amended both the title and body of House Resolution No. 476 to reflect what is obviously the only practical alternative open to your Committee, i.e., to await receipt of additional information and data which should be available during the 1978 interim period. The desired information and data has been requested by way of a joint written report to be submitted by the Departments of Agriculture and Health, provided a preliminary report shall be submitted by August 31, 1978 to be followed by a final report by October 1978.

Your Committee calls attention to the inclusion of two other clauses in the amended resolution. One requests the two departments to invite the participation of the Island Pork Producer's Cooperative and the Hawaii Farm Bureau Federation in furnishing resource input in developing effective measures to combat Salmonella contamination. The other requests your Committee to monitor the joint study effort to assure timely progress in the performance of the requested study.

Your Committee on Agriculture concurs with the intent and purpose of H.R. No. 475, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 476, H.D. 1.

Signed by all members of the Committee except Representative Garcia.

SCRep. 1135-78 Consumer Protection and Commerce on S.C.R. No. 64

The purpose of this concurrent resolution is to advise the United States Senate and the House of Representatives that the State of Hawaii opposes federal legislation on national no-fault insurance and wishes to continue to develop its own no-fault laws to best serve the interest of its citizens.

Your Committee has amended the bill for the purpose of clarifying the fact that the Senate of the State of Hawaii, with the House concurring, opposes federal legislation on national no-fault insurance.

As drafted, this concurrent resolution states that the "State of Hawaii" opposes such legislation. Your Committee feels that this is misleading in that the use of the phrase "State of Hawaii" implies that the other branches of government are of the same or similar opinions which may or may not be the case. Accordingly, your Committee made the foregoing amendment.

Your Committee on Consumer Protection and Commerce concurs with the intent and purpose of S.C.R. No. 64 and recommends its adoption in the form attached hereto as S.C.R. No. 64, H.D. 1.

Signed by all members of the Committee except Representatives Naito, K. Yamada and Fong.

SCRep. 1136-78 Health on S.C.R. No. 98 (Majority)

The purpose of this concurrent resolution is to request the City and County of Honolulu to change the title of its Health Department to reflect its present function of providing ambulance services, medical examinations for City and County employees, and on occasion treating an injured person in the Police Department cellblock.

Your Committee is aware that prior to the State takeover, the City and County of Honolulu controlled the operation of Maluhia Hospital and City Emergency Services including City employee health examinations. However, as of January 1, 1970, Maluhia Hospital was transferred to the State Department of Health, making the title of its Health Department inappropriate for that branch of the city government.

Your Committee finds that the presence of a "Health Department" in the City and County structure will continue to cause confusion at the federal level, as it creates the impression that Hawaii maintains public health agencies in state and county governments.

Your Committee further finds that the two Departments of Health on Oahu have occasionally caused confusion to the general public.

Your Committee on Health concurs with the intent and purpose of S.C.R. No. 98, S.D. 1, and recommends its adoption.

Signed by all members of the Committee.
(Representative Sutton did not concur.)

SCRep. 1137-78 Health and Public Assistance and Human Services on S.C.R. No. 81

The purpose of this concurrent resolution is to urge the Departments of Health and Social Services and Housing and Hawaii's Congressional delegation to obtain greater federal assistance for provision of health services and programs for Hawaii's immigrant population.

Your Committees find that some states have been disproportionately affected by immigrant preference and have thus faced demands for increasing services to meet the needs of these people. Further, that the State of Hawaii leads all others in carrying the burden resulting from such immigration.

Testimony from the Department of Health strongly supports this concurrent resolution and wishes to assure the Legislature that every effort is being made to secure as much federal funds as possible to support health programs for immigrants.

Your Committees on Health and Public Assistance and Human Services concur with the intent and purpose of S.C.R. No. 81 and recommend its adoption.

Signed by all members of the Committees.

SCRep. 1138-78 Agriculture on H.R. No. 507

The purpose of this resolution is to request a report on water rates and water service charges for agricultural producers on the Island of Oahu. The resolution also asks your Committee to submit a report of its findings and recommendations prior to the adjournment of the Regular Session of 1978.

Your Committee finds that water availability and water costs are emerging as significant factors influencing the rate of growth of agriculture on Oahu, and a review of this matter is timely and warranted.

Your Committee has amended both title and body of House Resolution No. 507 by requesting (1) that a review be conducted by the Departments of Land and Natural Resources and Agriculture, in cooperation with the Board of Water Supply, (2) that a report containing the findings, conclusions, and recommendations be submitted to the Legislature twenty days prior to the convening of the 1979 session of the Legislature, and (3) that the review and report be broadened in scope to include consideration of the division of responsibilities that exist between the state and county agencies presently involved in supplying water to agricultural producers.

Your Committee on Agriculture concurs with the intent and purpose of H.R. No. 507, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 507, H.D. 1.

Signed by all members of the Committee except Representative Naito.

SCRep. 1139 Employment Opportunities and Labor Relations and Public
Employment and Government Operations on S.C.R. No. 41

The purpose of this concurrent resolution is to request the Congress of the United States to fully support the public service employment provisions of the Comprehensive Employment and Training Act, to work toward strengthening the provisions of the Act, and to recommend to the President, continued operation and expansion of Comprehensive Employment and Training Act programs.

Currently, there are approximately 3,000 positions throughout the State funded under the Comprehensive Employment and Training Act (CETA) Public Service Employment program. This reflects a major increase as part of the Carter's Administration's attempt to fill 725,000 positions throughout the nation.

Your Committees agree with testimony presented that this major fiscal effort has had an impact on the level of unemployment throughout the country and in the State of Hawaii. It has meant immediate jobs to individuals in need who have been unemployed for considerable length of time. Recent public service employment efforts have been target to employ individuals

who have been unemployed for longer than 15 weeks and are economically disadvantaged.

Your Committees have amended the first Be It Resolved clause of this concurrent resolution for clarification purposes.

Your Committees on Employment Opportunities and Labor Relations and Public Employment and Government Operations concur with the intent and purpose of S.C.R. No. 41, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 41, H.D. 1.

Signed by all members of the Committees.

SCRep. 1140-78 Employment Opportunities and Labor Relations and Public
Employment and Government Operations on S.C.R. No. 51

The purpose of this concurrent resolution is to request Hawaii's congressional delegation to actively work toward the passage of the revised Humphrey-Hawkins Full Employment and Balanced Growth Bill.

The Humphrey-Hawkins bill establishes the principles, commitments, policies and processes that will help in moving the nation toward a new era of full employment, vigorous economic growth, and relatively stable prices.

Your Committees agree with testimony presented that mandated national commitment to the goals and purposes of the revised Humphrey-Hawkins Full Employment and Balanced Growth Bill will benefit all strata of the American Society.

Your Committees have amended this concurrent resolution in the third WHEREAS clause for clarification purposes.

Your Committees on Employment Opportunities and Labor Relations and Public Employment and Government Operations concur with the intent and purpose of S.C.R. No. 51 as amended herein and recommend its adoption in the form attached hereto as S.C.R. No. 51, H.D. 1.

Signed by all members of the Committees.

SCRep. 1141-78 Employment Opportunities and Labor Relations on S.C.R. No. 53

The purpose of this concurrent resolution is to urge labor unions and employers to cooperate in the development and implementation of safety training systems and programs in conjunction with government efforts to coordinate such training.

Both the federal OSH Act and Hawaii's OSH Law have as goals safe and healthful working conditions and environs. The language of the OSH Act, PL 91-596, proposes responsibilities for both employers and employees regarding work place safety and health, recognizes past employer-employee initiatives, and specifically encourages joint labor-management efforts to reduce injuries and disease arising out of employment. Hawaii's OSH Law, Chapter 396, HRS, endorses the U.S. Congressional findings and also specifically encourages employer and employee efforts to reduce the incidence of work place injury and illness.

To further emphasize the importance of training and education and concerted action, the Assistant Secretary of Labor for OSHA recently announced plans to embark on a new competency training program. This program includes grants to labor organizations, trade associations and academic institutions who are willing to embark on programs to train workers in occupational safety and health fields. There is \$4.9 million included in the OSHA FY 1979 budget for this purpose, as presented to the U.S. Congress.

Your Committee agrees with testimony presented that a coordinated training effort by labor unions, employers and the Education and Training Branch of the Division of Occupational Safety and Health would assure the most effective application of DOSH resources.

Your Committee has amended this concurrent resolution as follows:

- (1) by adding a new WHEREAS clause to include the availability of Federal grants of \$4.9 million for the purpose of this resolution; and
- (2) by adding a new BE IT RESOLVED clause to have the government assist

organizations, associations and institutions in obtaining grants to embark on programs to train workers in the occupational safety and health fields.

Your Committee on Employment Opportunities and Labor Relations concurs with the intent and purpose of S.C.R. No. 53 as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 53, H.D. 1.

Signed by all members of the Committee.

SCRep. 1142-78 Employment Opportunities and Labor Relations on S.C.R. No. 54

The purpose of this concurrent resolution is to request the Department of Labor and Industrial Relations to coordinate with workers' compensation insurers in effectuating a system of safety training for the insured.

Insurers traditionally have provided safety consultation and other services to their insured as a matter of good business practices, since the success of such efforts are reflected in reduced claims to the insurer. Certain insurers provide safety services to a greater or lesser degree than others. The Labor Department, through its Division of Occupational Safety and Health (DOSH), provides safety and health training and consultation services to employers and employees in efforts to assure safe and healthful work places. DOSH's training priorities start with small businesses and the high hazard building trades without regard to whether the workers are covered by authorized insurance companies or by self-insured companies.

Your Committee agrees with the need for a coordinated system to combine the resources of private industry and government for safety training.

Your Committee on Employment Opportunities and Labor Relations is in accord with the intent and purpose of S.C.R. No. 54, S.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1143-78 Finance on H.R. No. 135

The purpose of this resolution is to request an examination and review of the state agricultural loan program.

The Legislative Auditor in his Audit Report No. 1978-1, February 1978 entitled "FINANCIAL AUDIT OF THE LOAN AND GRANT PROGRAMS OF THE DEPARTMENT OF AGRICULTURE" released in early April, cites numerous irregularities in the administration and operation of the various loan and grant programs established pursuant to chapter 155, Agricultural Loans, Hawaii Revised Statutes. It appears that the Board of Agriculture may take issue with many of the findings, conclusions, and recommendations.

Your Committee agrees that a comprehensive review of the audit report findings including direct review of the administration and operations of the loan programs is the next prudent step to be undertaken.

A comprehensive review during the 1978 interim period and release of a special committee report by the Committee on Agriculture prior to the convening of the Regular Session of 1979 is in order.

Your Committee on Finance concurs with the intent and purpose of H.R. No. 135, H.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1144-78 Finance on S.C.R. No. 84

The purpose of this concurrent resolution is to request that the Department of Health review the current air pollution control regulations and ambient air quality standards.

Requirements relative to mass emissions limitations and visible emission limitations have been in effect for six years and provide an adequate experience base for a review. The Clean Air Act Amendments of 1977 will require adjustments, making this review even more timely.

Your Committee on Finance concurs with the intent and purpose of S.C.R. No. 84, S.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1145-78 Finance on S.C.R. No. 65

The purpose of this resolution is to request the State Department of Transportation to study the feasibility of transferring its real property acquisition functions to either the Department of Accounting and General Services or to the Department of Land and Natural Resources.

Presently, the Department of Land and Natural Resources is charged with the responsibility of acquiring all real property required by the State of public purposes, except where rules governing the use of federal funds provide for acquisition by the department or agency that will actually use the land. This has resulted in performance of land acquisition functions by two State agencies: the Division of Land Management of the Department of Land and Natural Resources and the Rights-of-Way Branch of the Department of Transportation, which has responsibility for acquiring real property for highway purposes.

Acquisition of real property for highway purposes is decreasing. The Department of Transportation needs to maintain a sufficient workforce to comply with Federal Aid highway rules, and has a substantially staffed acquisition unit as compared to the Department of Land and Natural Resources which has a small unit. The Department of Accounting and General Services has no such unit but has general responsibility for the building and maintenance of improvements on public properties.

The intent of this resolution is to determine the feasibility and desirability of incorporating the real property acquisition function of the Department of Transportation within the Department of Accounting and General Services or the Department of Land and Natural Resources so as to eliminate functional duplication and to achieve greater efficiency in government operations.

Your Committee on Finance concurs with the intent and purpose of S.C.R. No. 65, S.D. 1, H.D. 1 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1146-78 Finance on S.C.R. No. 103

The purpose of this concurrent resolution is to request the Board of Land and Natural Resources to add to the master plan for the development, conservation and use of water, the quantity and quality of the natural water resources in the State on an island by island basis, the water resources which have been developed, and remaining undeveloped, whether and to what extent sources currently being used are being depleted or degraded in quality, the amount of water development required annually to keep up with increasing demand, and the cost of such development, and the adverse effects of further development upon existing water sources and uses and that this report with supporting documentation, be submitted annually to the legislature twenty days prior to the convening of the regular sessions.

Your Committee on Finance concurs with the intent and purpose of S.C.R. No. 103 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1147-78 Finance on S.C.R. No. 74

The purpose of this concurrent resolution is to request the Council of Housing and the Construction Industry to examine the economic impact of the restrictions and requirements of the National Flood Insurance Act.

The National Flood Insurance Act of 1968 defines "base flood" as the flood having a one-percent chance of being equaled or exceeded in any given year, and utilizes this definition in determining "areas of special flood hazard" or "coastal high hazard areas". In order for communities to qualify for subsidized federal flood insurance under this Act, local governments must impose specific development restrictions and requirements

for construction in locations designated as areas of special flood hazard or coastal high hazard areas.

It can reasonably be anticipated that the effect of new codes and ordinances which conform to these federal requirements will be to the economic detriment of the community at large, and that the State of Hawaii, plagued by spiraling housing costs and an absence of great amounts of developable land, can ill afford to restrict the availability of reasonably priced housing and opportunities for economic development by the application of unreasonable building limitations.

Federal regulations provide a means whereby communities may obtain certain exemptions from the standards of the Flood Insurance Act where they can demonstrate severe hardship or gross inequity due to extraordinary circumstances or local conditions. Consequently, while the intent of Flood Insurance Act restrictions is to minimize loss of life and property due to flood, storm surf or tsunami; your Committee recognizes the necessity of a thorough examination of the economic impact of Flood Insurance Act restrictions and requirements in Hawaii in order to insure that they do not generate extreme or unnecessary hardship on the residents of this State.

Your Committee on Finance concurs with the intent and purpose of S.C.R. No. 74, S.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1148-78 Finance on S.C.R. No. 60

The purpose of this concurrent resolution is to request the State Department of Transportation, the State Department of Land and Natural Resources, and the Counties to develop jogging trails throughout the State and to make jogging and running safer by separating joggers and runners from motor vehicles.

Your Committee on Finance concurs with the intent and purpose of S.C.R. No. 60, S.D. 1, and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1149-78 Legislative Management on H.R. No. 607

The purpose of this resolution is to authorize the various standing committees of the House or any sub-committees thereof, or any special committees to meet to gain information and conduct hearings during the interim between the adjournment of the Regular Session of 1978 and the convening of the Regular Session of 1979 on matters of concern to the House or the particular committee, upon the approval of the Speaker of the House.

The adoption of this resolution to authorize interim committee work through the office of the Speaker is a standard practice of the House of Representatives. Your Committee is aware of the increasing demand for interim work over the years and the accompanying increase in cost for each committee to conduct its activities. This resolution establishes a systematic method by which House interim committees may receive authorization to operate.

Your Committee on Legislative Management concurs with the intent and purpose of H.R. No. 607 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1150 Higher Education

Your Committee on Higher Education which has conducted a study of the advisability of incorporating the Associated Students of the University of Hawaii (ASUH) as directed by H.R. No. 48 adopted by the Regular Session of 1978, begs leave to report as follows:

To undertake this study, your Committee solicited assistance from the Legislative Reference Bureau (LRB) and viewpoints from officials of the ASUH and the University of Hawaii.

BACKGROUND

There are no provisions in the Hawaii Revised Statutes concerning the ASUH. Instead, it appears that the ASUH was created by charter by the Board of Regents (BOR) with the BOR delegating, to the University President, the authority to approve the ASUH constitution and any amendments thereto. Further, it was found that the BOR has the authority to regulate student fees and to promulgate and approve policies of the ASUH.

The question of ASUH incorporation was prompted by the difficulties the ASUH has experienced with the University Administration in the past. It was felt that incorporation might provide the independence that the ASUH would need to effectively carry out its programs without interference from the University Administration.

EXAMPLES OF OTHER STATE STUDENT ORGANIZATIONS

Many states presently allow student organizations to incorporate. Some states, perhaps with more liberal corporation laws, have more student corporations than other states. Due to time constraints on this study, your Committee was unable to obtain information from all the States, however, the LRB provided data for the states of Oregon and California.

The activities of student corporations vary, but one of the most innovative groups is at Portland State University. This Portland Student Services Corporation rented facilities from the Oregon State Board of Higher Education and operated some nine residence halls and apartments. Incorporated in July of 1969, it obtained a two-year lease on buildings scheduled to be razed for an urban renewal project. Since then it obtained permanent lease renewals plus a government loan to build a 221-unit high rise apartment building. Further, in 1974 the Oregon State Board of Higher Education purchased a privately owned residence hall and contracted the Portland Student Services Corporation to manage it.

The University of Oregon has a bookstore, newspaper, and printing corporation in addition to several housing co-ops and a food corporation for bulk purchases of food by living groups. Oregon State University has a bookstore, cooperative buyers group for wholesale food purchases, and several student housing cooperatives.

In California, the students of the various campuses have traditionally exercised a high degree of autonomy in handling their own funds and affairs. On both the Berkeley and Los Angeles campuses, student associations employ staff, operate bookstores, and even build facilities. However, while these student associations maintain they are separate legal entities, neither campus group has ever formed a corporation.

Student groups at the California State University and College campuses have legally incorporated. These corporations are financed by student activity fees and other revenues collected from program activities. The services provided include sponsoring campus newspapers, day care centers, legal aid programs, lecture and film series, outdoor recreation projects, social service projects, campus bookstores, and athletic events.

FINDINGS

In conducting its study, your Committee found that while the range of activities of other states' student organizations appear to be an inducement for incorporation, there are other things the ASUH must consider. According to the LRB, if the ASUH is incorporated on a nonprofit basis, the following is likely to occur:

- 1) The ASUH would become a corporate entity capable of suing and being sued in any court, section 416-26 (2), Hawaii Revised Statutes;
- 2) The ASUH may gain some independence from the University by such incorporation;
- 3) The ASUH may not be able to benefit from the compulsory student fees collected from the University and then distributed to its various departments and organizations;
- 4) The ASUH may be forced to locate other sources of funding;

RECOMMENDATIONS

In view of the abovementioned findings, your Committee believes that the question of incorporation depends primarily on what the ASUH goals are and what it feels would be the most workable and beneficial relationship between it and the University. Thus far, the ASUH has not had an opportunity to formally address this matter as the question of incorporation is not one of immediate concern and a study probably will not be initiated until after the ASUH elections now being held.

Your Committee, therefore, recommends that the ASUH conduct a formal study and solicit legal advice on the question of incorporation. Following this study, the ASUH should obtain input from the BOR, University Administration and the Attorney General's Office before making a final decision. If the results of the ASUH study show that incorporation is desirable, the Legislature can then determine whether special legislation regarding such incorporation would be necessary.

Signed by all members of the Committee.

SCRep. 1151-78 Legislative Management

Informing the House that House Resolution Nos. 680 to 685, House Concurrent Resolution No. 148, Standing Committee Report Nos. 1089-78 to 1112-78, and Concurrence Committee Report Nos. 5 to 58, have been printed and distributed.

Signed by all members of the Committee.

SCRep. 1152-78 Legislative Management

Informing the House that House Resolution Nos. 686 to 713, House Concurrent Resolution Nos. 149 and 150, Standing Committee Report Nos. 1114-78 to 1150-78, Conference Committee Report Nos. 59 and 60, and Special Committee Report Nos. 14 to 16, have been printed and distributed.

Signed by all members of the Committee.