

- (2) The provision in Subsection (c) terminating any designation made under this bill has been deleted.

Also, a technical, nonsubstantive amendment has been made for the purpose of style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives D. Ige and M. Ige.  
(Representatives Cachola and Tam voted no.)

**SCRep. 983                      Economic Development and Business Concerns on S.B. No. 1599**

The purpose of this bill is to establish the Hawaii Aviation Training Corporation (Corporation) to facilitate the growth and development of an international aviation industry in Hawaii, primarily serving Hawaii and the countries of the Pacific Rim. Among other things, this bill:

- (1) Establishes the Corporation, which shall:
  - (a) Develop and foster the growth of aviation-related industries in the State;
  - (b) Promote and initiate international education and training of persons in pursuit of degrees or related training;
  - (c) Provide support and services to the University of Hawaii (UH) aviation programs;
  - (d) Promote and market Hawaii as a site for commercial aviation training activity; and
  - (e) Provide advice on policy and planning for aviation technology-based economic development;
- (2) Specifies that the Corporation shall be headed by an executive board to be known as the Board of Directors of the Hawaii Aviation Training Corporation;
- (3) Requires the Corporation to submit an annual report to the Governor and the Legislature relating to the total number and amount of gifts received, payroll disbursements, training or other equipment purchased exceeding \$4,000, contracts entered into, and the progress of the Corporation made during the year;
- (4) Establishes a special Hawaii Aviation Training Corporation Fund; and
- (5) Appropriates moneys for each year of the 1993-1995 fiscal biennium.

Your Committee notes that it is not the Committee's intent that the personnel positions which were established pursuant to this bill and which are exempt from Chapter 76, Hawaii Revised Statutes (HRS), Civil Service Law; and Chapter 77, HRS, Compensation Law, be automatically converted--"grandfathered"--into their positions as permanent civil service employees, without conformance with Civil Service Law requirements. These exemptions are currently needed for flexibility of the Corporation in setting up training arrangements that would respond to the needs of the Corporation's clients.

Upon further consideration, your Committee has amended the bill by:

- (1) Deleting the appropriation section of the bill; and
- (2) Making technical, nonsubstantive amendments for the purposes of consistency and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1599, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1599, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 984                      Economic Development and Business Concerns on S.B. No. 1345**

The purpose of this bill is to authorize the issuance of special purpose revenue bonds not to exceed \$5,000,000, to assist Intellect, Inc., a Hawaii corporation, with the design, manufacturing, and marketing of digital communications systems for air traffic control, air defense networks, and telecommunications systems.

The Executive Director of the High Technology Development Corporation (HTDC) and the Vice President of Intellect, Inc. testified in support of the bill.

According to HTDC's testimony, Intellect Inc. has been performing quality electronics design and manufacturing work in the area of voice and data communications systems for the past 28 years. Your Committee recognizes that during that

time, Intellect Inc. has created almost 200 jobs in the State in the software, engineering, and manufacturing sectors. Your Committee further recognizes that the growth in Intellect Inc.'s sales contributes substantially to revenues that the State derives from payroll and excise taxes, and that the growth and expansion of Intellect Inc. would be in the public interest of the State.

Upon consideration, your Committee has amended the bill by adding a provision that the special purpose revenue bonds issued under the bill shall be expended to support the expansion of Intellect Inc.'s operations in Hawaii.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1345, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1345, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 985                      Energy and Environmental Protection on S.B. No. 603**

The purpose of this bill is to establish a task force to consider and evaluate the possible duties and authority of a department of environmental protection. Testimony in strong support of this bill was presented by: the Department of Health, University of Hawaii Environmental Center, University of Hawaii Water Resources Center, and a concerned citizen.

All testifiers emphasized the importance of creating such a department. The Department of Health noted that Hawaii is one the last states without a separate department of environmental protection. The concerned citizen testified that creation of this department is long over due and would reflect the state's commitment to both our present environmental welfare, and to that of the next generation, and generations thereafter.

Testimony against this bill was presented by the Office of State Planning, and the State Groundwater Technical Advisory Committee. Testifiers against this bill stressed that the development of a new department of environmental protection needs to be reviewed carefully and in conjunction with the creation of other agencies in the areas of ocean resources, marine development, tourism and housing. Also, without additional funding the Office of State Planning cannot provide the personpower to further study the creation of a new department of the environment. Concern was mentioned that an additional department would add yet another layer of bureaucracy to the environmental permitting system.

Your Committee noted that in Hawaii of all places, where the environment plays a central role in the livelihood of residents and the enjoyment of visitors, the creation of a department of environmental protection has been too long delayed. Your Committee was in agreement with the supporters of this bill, noting that persistent arguments against a department of environmental protection including claims that more focused environmental regulations are regressive and anti-development, are unrealistic and short sighted. Your Committee recognizes the need to protect our environmental resources for future generations and desires that current short-term economic and political concerns should not side track this bill. Rather than providing for a finalized structure of a department of environmental protection, your committee recommends that the "narrow focus" option developed previously by the task force be implemented and allowed to evolve in response to changing management needs. Your Committee also recommends that to prevent the bill from being neglected after the legislative session is finished, the Legislative Reference Bureau (LRB) be directed to study the implementation of a department of environmental protection. The LRB in expanding on their 1985 report on environmental reorganization, should consider the experience of other states, and should address the costs and benefits of the establishment of a department of environmental protection. Your Committee also believes that the Governor, prior to the 1995 legislative session, should appoint a steering committee to facilitate implementation of the new department.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 603, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 603, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Herkes, Nekoba and Takamine.

**SCRep. 986                      Energy and Environmental Protection on S.B. No. 728**

The purpose of this bill as received by your Committee is to amend the State's environmental response law, Chapter 128D, Hawaii Revised Statutes (HRS). Subsection 128D-6(e) of the Chapter provides limited immunity from liability arising from a person's actions or omissions related to the release of a hazardous substance, and taken in accordance with Chapter 128D or at the direction of an on-scene coordinator. The bill amends this section to make clear that this immunity encompasses actions or omissions taken in accordance with the Federal National Contingency Plan, or performed under the direction of either a federal or a state on-scene coordinator. The bill also adds definitions of "federal on-scene coordinator" and "state on-scene coordinator" to the Chapter.

The Department of Health (Department), strongly supported the intent of the bill, testifying that it had encountered concern from oil spill responders regarding their liability for actions taken in immediate response to an oil spill. The Department testified that the amendments proposed by the bill were appropriate because the U.S. Coast Guard is the lead agency for responding to oil spills in navigable waters, and would be on-site directing actions prior to state clean-up efforts. The Department suggested that similar amendments be made to HRS Section 128D-23 for consistency and clarity.

The Sierra Club expressed concerns regarding the constitutionality of the bill, stating that the bill's title was restricted to oil spills whereas immunity under Section 128D-6(e) would extend to actions in response to any release of any hazardous substance, pollutant, or contaminant. The Sierra Club testified that in the absence of constitutional concerns it would support the bill, which provided relief to industry groups, if counterbalancing amendments to Chapter 128D favoring the environment, were also made. Sierra Club requested that the July 1, 1990 cutoff for required reporting of releases of hazardous substances be deleted and that language be removed which currently prohibits the State from recovering costs related to restoring natural resources damaged prior to July 1990.

Your Committee adopts the Department of Health's recommendation regarding amendments to Section 128D-23 for consistency and clarity. To address the title concerns expressed by the Sierra Club, your Committee has amended Section 128D-6(e) to restrict its scope to releases of petroleum products. In order to counterbalance the additional protection given industry, your Committee has amended the Section to allow common law actions based on negligence, gross negligence, or intentional misconduct to be brought against persons responding to petroleum product releases.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 728, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 728, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Herkes, Nekoba and Takamine.

**SCRep. 987                      Human Services on S.B. No. 1714**

The purpose of this bill is to establish Advisory Councils required by the Federal Rehabilitation Amendments of 1992 to replace the Board of Vocational Rehabilitation.

Under this bill, the Department of Human Services (Department) will be required to establish a new State Advisory Council on Rehabilitation and a new Statewide Council on Independent Living with membership requirements statutorily specified. Both would assist the Department on the selection, delivery, and review of services provided for disabled individuals. The Advisory Councils will have separate yet interlocking representative members to ensure a coordinated and comprehensive approach.

In urging passage of this bill, the Department explained that this bill was necessary to conform to the Federal Rehabilitation Amendments of 1992 since the current Board of Vocational Rehabilitation did not meet the requirements of the recently passed federal law. The State Planning Council on Developmental Disabilities and the State Commission on Persons with Disabilities also submitted testimony in support of this bill.

This measure has been amended by:

- (1) Requiring the members to be appointed by the Governor pursuant to statutory provisions governing selection and terms of board and commission members contained in Section 26-34, Hawaii Revised Statutes;
- (2) Specifying the total membership of the Statewide Council on Independent Living shall consist of nineteen members;
- (3) Clarifying that the Centers for Independent Living are those established under the Federal Rehabilitation Amendments of 1992; and
- (4) Making technical, nonsubstantive revisions throughout the bill for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1714, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1714, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Duldulao and Peters.

**SCRep. 988                      Human Services on S.B. No. 553**

The purpose of this bill is to make numerous amendments to the state public accommodations law to ensure the accessibility of places of public accommodation to persons with disabilities. The bill accomplishes the foregoing by:

- (1) Conforming the state public accommodations law to guidelines established in federal rules pursuant to the Americans with Disabilities Act of 1990 (ADA);
- (2) Making it unlawful for a place of public accommodation to charge a person with a disability an extra fee because that person is accompanied by a guide, signal, or service dog; and
- (3) Placing the foregoing assistive dog provisions in Chapter 489, Hawaii Revised Statutes, instead of Chapter 347, Hawaii Revised Statutes, to strengthen the enforcement of those provisions.

Supportive testimony was submitted by the Hawaii Civil Rights Commission (Commission) which indicated that the measure would allow the Commission to:

- (1) Determine the feasibility, i.e., difficulty and expense, of removing or changing architectural barriers in existing facilities, when those barriers discriminate against persons with disabilities; and
- (2) Order the reconstruction of such facilities upon a determination that the reconstruction is "readily achievable" under the ADA.

The Commission on Persons with Disabilities also testified in support of this measure.

Your Committee has amended the bill by making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 553, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 553, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Duldulao and Peters.

**SCRep. 989                      Human Services on S.B. No. 930**

The purpose of this bill is to provide continued funding for the recently established Resource and Technical Assistance Project on Autism, which supports and assists families, professionals, and persons with autism.

Testimony from the State Planning Council on Developmental Disabilities, the Autism Project Advisory Committee, the Autism Society of Hawaii, and various citizens was received in strong support of this measure. The University of Hawaii submitted testimony in support of the intent of this measure, but could not support the bill due to fiscal constraints.

It is noted that autism is a neurologically-based developmental disability that can significantly, and often, adversely affect the lives of those children who have autism, as well as their families. If diagnosed correctly at an early age, a plan of treatment can be developed to prevent possible institutionalization at a later date. Your Committee finds that without early diagnosis and intervention, autism has the potential of requiring total institutional costs of approximately \$125,000 per year for the lifetime of a child. Due to the lack of consistently available and appropriate services, Hawaii has spent over \$500,000 a year in 1990 and 1991 on just four adolescents with autism. Thus, funding of this project is an extremely cost effective approach in dealing with autism. Without the Resource and Technical Assistance Project on Autism, families have no recourse for aid or support in coping with autistic members of their family.

Upon further consideration, your Committee has amended this bill by:

- (1) reflecting the legislative history of the project, with respect to past funding;
- (2) appropriating \$1 for the purposes of further discussion; and
- (3) making technical, non-substantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 930, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 930, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Duldulao and Peters.

**SCRep. 990                      Human Services on S.B. No. 19**

The purpose of this bill is to establish the offense of unlawful entry upon the premises of a facility utilized as a sex abuse, child abuse, or spouse abuse shelter. It prohibits any person to knowingly enter or unlawfully remain upon the premises of a facility after having been given reasonable warning, or request to leave by a facility staff member. This measure makes violations a misdemeanor.

Testimony from the Department of the Prosecuting Attorney, of the City and County of Honolulu was received in full support of this measure.

Upon further consideration, your Committee has amended this measure by clarifying to whom the warning or request to leave is being given to in the context of the bill. As a result of this amendment, the bill reads as follows:

No person shall knowingly enter or remain unlawfully upon the premises of a facility utilized as a sex abuse, child abuse, or spouse abuse shelter after that person has been given reasonable warning, or a request to leave by a member of the facility's staff.

Your Committee is in full support of this measure, which would provide legal protection to keep sex abuse, child abuse, and spouse abuse shelters a haven for those who seek personal safety.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 19, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 19, H.D. 1, and be referred to the Committee on Judiciary.



Signed by all members of the Committee except Representatives Duldulao and Peters.

**SCRep. 991                    Human Services on S.B. No. 539**

The purpose of this bill is to extend the family center demonstration project until June 30, 1995. It directs the family center council to develop a plan for making the project permanent. It also requires the evaluation component of the project to include information about lessons learned from the family center concept, and an assessment on how the project has changed the human services system.

Testimony from the Department of Human Services, the Office of Children and Youth, the Office of Youth Services, the Department of Education - Kona Community School, the Hawaii State Employment Service, the Hawaii Community Services Council, the West Hawaii Family Center, the Family Center Advisory Council, Family Support Services of West Hawaii, People Attentive to Children, Parents and Children Together, Healthy Mothers/ Healthy Babies Coalition, Susannah Wesley Community Center, and numerous individuals was received in overwhelmingly strong support of this measure.

Your Committee finds that preliminary assessments have indicated that the family center demonstration project has been extremely successful. This project began in 1990 to improve access to services to families through the coordination of an existing, fragmented system. The family center is committed to the ideal that healthy and empowered families are catalysts for positive change in the community and beyond. Service providers and families work together to determine how their family center should operate. Thus, with the community participating in identifying what is needed in their community, family centers have removed much of the stigma and confusion from accessing services. Your Committee is in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 539, S.D. 2, H.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 Duldulao, Peters and Santiago.

**SCRep. 992                    Human Services and Judiciary on S.B. No. 1593**

The purpose of this bill is to statutorily establish multidisciplinary teams, and provide for the development and implementation of mandatory teaming statewide.

Testimony from the Hawaii Psychological Association and a private citizen was received in support of this measure. Testimony was also received from the American Association of Pediatrics, Kapiolani Medical Center for Women and Children, the Child Protection Team of West Hawaii, and a private citizen supporting the intent of this measure, while the Department of Human Services submitted testimony in opposition to this bill.

It is noted that cases of child abuse and neglect have increased significantly in recent years, as has the demand for social workers to develop a combination of experience and education that would qualify them to make life and death decisions. Your Committees are extremely sensitive to the fact that the group of children aged 0 to 3 years old is the most vulnerable when it comes to serious injuries. Statistics indicate that this group of children account for approximately three-quarters of the deaths due to child abuse and neglect.

Your Committees find that the valuable services of multidisciplinary teams have been grossly underused in relation to the total number of child abuse and neglect cases, especially for the more complex and severe cases of child abuse and neglect, and referral to the teams has occurred only on an inconsistent and arbitrary basis. Your Committees also note that multidisciplinary teams are not well developed on the neighbor islands, and that a follow through process will not be immediately implemented. Nonetheless, a follow through process is essential to the success of the multidisciplinary approach. Your Committees have been assured that the Department of Human Services will develop such a system in the near future. If the Department fails to develop a follow through system, your Committees will take another look at this measure next year.

The testifiers supporting the intent of this measure indicated a preference to the language of the House version of this bill. The Department of Human Services also expressed support for the House version of this bill, while opposing the present bill.

Upon further consideration, your Committees have amended this bill by:

- (1) redefining the purpose of this bill to establish multidisciplinary teams statewide and provide for the development and implementation of mandatory teaming;
- (2) deleting the proposed statutory provision in Section 2 addressing the findings of the Legislature as well as citing the purpose which is to establish mandatory and uniform guidelines for teaming because the intent of the bill is to establish teams and to allow the Department to establish administrative rules in the use of the teams;
- (3) renaming the new section to be added to Chapter 350, Hawaii Revised Statutes (HRS), to "Multidisciplinary team services";

- (4) deleting references to specific types of cases that would be referred to the multidisciplinary teams, due to the fact that a myriad of scenarios is possible, and that limiting the jurisdiction of the teams may be harmful to abused and neglected children;
- (5) describing the composition of the multidisciplinary teams;
- (6) clarifying that multidisciplinary teams do not have to be established within all counties of the State of Hawaii to allow greater flexibility in establishing teams based on community need and available resources;
- (7) requiring the Department of Human Services to establish rules pursuant to Chapter 91, HRS, for the mandatory use of teams on critical cases of child abuse and neglect; and
- (8) designating the Department of Human Services as having monitoring power over the multidisciplinary teams.

As affirmed by the records of votes of the members of your Committees on Human Services and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1593, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1593, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Bunda, Cachola, Herkes, Hirono, Oshiro and Peters.

**SCRep. 993 Human Services and Judiciary on S.B. No. 552**

The purpose of this bill is to amend Hawaii's law relating to the expenditure of public money and public contracts with the Americans with Disabilities Act Accessibility Guidelines. This measure will also increase the membership of the Architectural Access Committee to five members.

Testimony from the Commission on Persons with Disabilities, the Architectural Access Committee, the Hawaii Centers for Independent Living, and the Protection and Advocacy Agency of Hawaii was received in support of this measure.

It is noted that during discussion of this measure, those testifying indicated a preference to the House version of this measure. Upon further consideration, your Committees have amended this bill by:

- (1) deleting section 2, subsection (c), which would have required compliance with the Americans with Disabilities Act Accessibility Guidelines, only with regard to plans and specifications for construction contract awards made on or after January 1, 1994, to correct for a conflict in wording with section 2, subsection (a);
- (2) including an appropriation of \$103,000 for fiscal year 1994-1995, and \$94,000 for fiscal year 1994-1995;
- (3) inserting a new effective date of January 1, 1994 for the Act, to correct for the effective date deleted in (1); and
- (4) making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the records of votes of the members of your Committees on Human Services and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 552, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 552, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Bunda, Cachola, Herkes, Hirono, Oshiro and Peters.

**SCRep. 994 Human Services and Health on S.B. No. 1529**

The purpose of this bill is to establish the Hawaii Children's Trust Fund to strengthen families with the intent of preventing child abuse and neglect.

Testimony from the Department of Health, Office of Children and Youth, Department of Education, Center for Youth Research, The Sex Abuse Treatment Center, Hawai'i Children's Trust Fund Coalition, Hawaii Community Foundation, Mental Health Association in Hawai'i, National Association of Social Workers, Child Abuse & Neglect Secondary Prevention Advisory Committee, Parents and Children Together, Hawaii Youth Services Network, Salvation Army, Hawaii Advocates for Children and Youth, Hawaii Youth Services Network, Parents and Children Together, Boys and Girls Club of Honolulu, and Hawai'i Early Intervention Coordinating Council was received in strong support of this measure.

It is noted that the establishment of the Hawaii Children's Trust Fund will maximize resources from public and private sectors to strengthen families through prevention of child abuse and neglect. In general, prevention programs are more cost effective methods than treatment programs. Preventing child abuse and neglect is critical when considering its relationship to other problems such as substance abuse, delinquency, and runaways. Without the support provided by the program to families, there is a greater risk of repeated patterns of abuse and neglect in subsequent generations. Hawaii is currently one of two states that does not have a Children's Trust Fund. Failure to establish this fund may result in loss of Federal Prevention Grant monies.

Upon further consideration, your Committees have amended this measure by:

- (1) Renaming the "Child Abuse and Neglect Advisory Committee" as the "Hawaii Children's Trust Fund Board";
- (2) Naming the Steering Committee as the "Hawaii Children's Trust Fund Advisory Committee";
- (3) On page 2, lines 20-22, deleting the sentence, "The trust fund shall not be placed in the state treasury and the State shall not be liable for its operation or solvency," although this is understood;
- (4) On page 2, line 23, adding that the trust fund may receive funds from county governments;
- (5) On page 3, line 9, deleting the phrase indicated by the parentheses: The State may donate moneys to the trust fund by legislative appropriation (or other means on the same basis as a private person);
- (6) On page 3, line 10, adding the sentence, "Any appropriations made by the Sate are not intended to supplant the funding of existing prevention program";
- (7) On page 3, lines 14-19, deleting the requirement of investing 50 percent of contributions in the endowment component of the trust fund until it exceeds \$10 million;
- (8) On page 4, line 6, authorizing DOH and HCF to provide staffing for the board rather than requiring these agencies to provide staffing. Also adds authorization for DOH to provide staffing for the Coalition and Advisory Committee;
- (9) On page 5, lines 4-12, deleting the specific forms in which contributions may be received;
- (10) On page 6, line 1, adding that the Board may recommend the expenditure of funds for administration;
- (11) On page 6, line 4, changing the composition of the Board. In S.B. 1529, S.D. 1 the equivalent of the Board is the former CANSPAC, renamed the Advisory Committee. In this version, the membership is as follows (page 9, lines 15-22): (a) Four members appointed by the Governor from a list of nine persons submitted by HCF; (b) The Director of Health or a designee; (c) One member appointed by the Senate President; and (d) One member appointed by the Speaker of the House;  
  
In the new version of the bill, the Board consists of the following: (a) One member selected by HCF; (b) Three members appointed by the Governor from a list of seven persons submitted by HCF; (c) The Director of Health or a designee; (d) One member of the Senate appointed by the Senate President; and (e) One member of the House appointed by the Speaker of the House. Also adds a three-year term of office and a two term limit for members selected by HCF or the Governor;
- (12) On page 6, line 5, clarifying that the Steering Committee shall implement the stated functions of the Coalition;
- (13) On page 6, line 7, adding that the Coalition shall serve as a forum for addressing the issue of family strengthening for the prevention for child abuse and neglect;
- (14) On page 6, line 11, deleting that members shall not receive compensation, although this practice is understood;
- (15) On page 6, line 14, changing the last day that the steering committee may be appointed from September 1, 1993 to December 1, 1993;
- (16) On page 6, lines 16-22, changing the composition of the steering committee. In S.B 1529, S.D. 1, the steering committee is composed of nine members who are selected by the Coalition from among its membership.  
  
In the new draft, the steering committee is composed of representatives of DOH, DHS, DOE, GOCY, OYS, and the Judiciary, in addition to seven private sector representatives elected by the Coalition;
- (17) On page 7, lines 1-8, deleting the categories of interests (such as parents, business) that the steering committee should try to represent;
- (18) On page 7, lines 9-11, deleting the terms of office of the members of the steering committee;
- (19) Prohibiting the representative of the Department of Health on the steering committee from voting on matters related to advising the Department;
- (20) On page 7, line 17, changing the planning function of the steering committee form "Develop a statewide plan" for strengthening families with the intent of preventing child abuse and neglect to "Promote statewide planning and strategies" for this purpose;
- (21) On page 10, line 15, requiring the Director of Health to publicly announce the initial meeting of the Coalition by December 1, 1993, rather than September 1, 1993; and
- (22) On page 10, lines 18-20, deleting the \$1 funding for FY 1994-95.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1529, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1529, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Pepper and Peters.

**SCRep. 995                      Human Services and Health on S.B. No. 1715**

The purpose of this bill is to generate increased revenues to cover health care payments for the federally funded medicaid program, and enable the department of human services to earn federal matching funds on this revenue. This measure imposes a 6% tax on all nursing facility income and a 4% tax on all hospital income, except income subject to the general excise tax. This bill also establishes a health care revolving fund to receive the revenues out of which expenditures would be made by the department of human services.

Testimony from the Department of Human Services, the Department of Taxation, Hillhaven-Kona Healthcare Center, the Oahu Care Facility & Pearl City Nursing Facility, Hale Makua, Hawaii Long Term Care Association, Kokua Council for Senior Citizens, and the Healthcare Association of Hawaii was received in support of this measure. Kuakini Health System, Hawaii Federation of Physicians & Dentists, the Chamber of Commerce of Hawaii, Regency Care Centers of Hawaii, Hawaii Medical Association, Kokua Council for Senior Citizens, Hale Ho Aloha, numerous residents of Arcadia, and other citizens submitted testimony in opposition to this bill.

Your Committees emphasize the need for clarification from the Department of Human Services regarding the impact that the proposed tax will have on private paying individuals and facilities or individuals in danger of becoming financially distressed.

Upon further consideration, your Committees have amended this measure to:

- (1) Page 1, line 12 through page 2, line 14; Redefine "Hospital income";
- (2) Page 2, line 18 through page 3, line 15; Redefine "Nursing facility income";
- (3) Page 3, line 22; delete "month" and replace with "quarter";
- (4) Page 4, line 1; replaced with "amount of six per cent of all nursing facility income.";
- (5) Page 4, line 3; replaced with "each quarter a tax in the amount of four per cent of all hospital";
- (6) Page 4, Section -2; add in subsection " (e) Each operator shall visibly pass on the tax imposed by this section to the recipient of the hospital or nursing facility services which are subject to taxation under this section.";
- (7) Page 4, line 14; delete "such time as" and replace with "the end of the month following the time at which";
- (8) Page 4, line 17; delete "last day of each calendar month" and replace with "fifteenth day of February, May, August, and November, or for fiscal year tax payers on or before the forty-fifth day after the close of the fiscal quarter,";
- (9) Page 4, line 18; delete "month" and replace with "or fiscal quarter";
- (10) Page 5, line 8 through line 22; delete subsection (1);
- (11) Page 6, 1-2; delete "monthly" and replace with "quarterly";
- (12) Page 7, line 1; delete "quarterly or";
- (13) Page 7, line 6-8; delete "or exceeds \$2000 in taxes during the calendar year or fiscal taxable year if making payments on a quarterly basis"
- (14) Page 7, line 9; delete "quarterly or";
- (15) Page 7, line 15; delete "does not apply" and replace with "shall apply to the annual return, but not";
- (16) Page 10, line 15; replace with "in subsection (c) for assessments or in section \_\_ for credits and refunds, both the department and the operator have";
- (17) Page 10, line 17; replace with "the date fixed by subsection (c) or the credit or refund of the tax after the date fixed by section -7, the tax may be assessed or";
- (18) Page 10, line 18; replace with "levied, or the overpayment, if any, may be credited or refunded at any time prior to the expiration of the period agreed";
- (19) Page 11, line 14-18; delete " within three years after the annual return was filed, or in any case of payment of tax without the filing of an annual return, within three years after payment of tax, or within three years of the date prescribed for the filing of the annual return, whichever is later." and replace with "as follows:

- (1) If an annual return is timely filed, or is filed within three years after the date prescribed for filing the annual return, then the credit or refund shall be claimed within three years after the date the annual return was filed or the date prescribed or filing the annual return, whichever is later.
- (2) If an annual return is not filed, or is filed more than three years after the date prescribed for filing the annual return, a claim for credit or refund shall be filed within:
  - (A) Three years after the payment of the tax; or
  - (B) Three years after the date prescribed for the filing of the annual return, whichever is later.”;
- (20) Page 11, line 22; line should read:  
 “of the tax imposed by this chapter for any quarter or any year, may appeal from the”.
- (21) Page 12, line 20; line should read:  
 “a misdemeanor; and any officer, director, president, secretary, or”.
- (22) Page 14, line 22; delete “monthly, quarterly,” and replace with “quarterly”.
- (23) Page 17, line 9-11; delete...“to provide for...is being made”.
- (24) Page 20, line 20; add:  
 “SECTION 3. (a) Section 235-55.9, Hawaii Revised Statutes, is amended by amending subsections (b) and (c) to read as follows: ...”
- (25) Page 23, line 10; line should read:  
 “arising from activities occurring after June 30, 1993 and before July 1, 1995”.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1715, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1715, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Peters.  
 (Representative O’Kieffe voted no.)

#### **SCRep. 996 Ocean Recreation and Marine Resources on H.R. No. 176**

The purpose of this House resolution is to request the Board of Land and Natural Resources to conduct a study to determine the impact that fish feeding and artificial reefs have on sharks.

This House resolution stemmed from House Bills 1132 and 1133, which sought to prohibit the building of artificial reefs and the practice of commercial fish feeding in Mamala Bay, between the Diamond Head Lighthouse and Honolulu Harbor out to two miles off shore.

Your Committee on Ocean Recreation and Marine Resources finds that information on whether the presence of artificial reefs and the practices of fish feeding actually increase the risks of shark attacks is very sparse. While the concerns of many ocean users are genuine (with regard to the possibility of shark attack), the lack of scientific data provided made it difficult to substantiate these concerns. Your Committee on Ocean Recreation and Marine Resources feels that more information needs to be obtained before any new legislation is introduced affecting the practice of fish feeding and artificial reef building.

Supportive testimony was heard from the Department of Land and Natural Resources, which recommended that the deferral of consideration of permits for new artificial reef development be limited only within the coastal area out to two miles, and between Diamond Head Lighthouse and Honolulu Harbor. The Department added that existing funds were available through moneys appropriated for the Shark Task Force.

The University of Hawaii Environmental Center testified in favor of the House resolution yet added that, given the nature of the study, it might take longer than just one year to complete. The Center suggested that a preliminary report be filed in January 1994, and a finalized report be submitted to the Legislature in January 1995.

Atlantis Submarines, Inc. testified in support of this measure, although it wanted the study to be specific to shark species which are known to be lethal to people. Ocean recreation users voiced support for a study, yet wanted the study to include all species of sharks in light of the fact that any large shark could attack a person, though perhaps not fatally.

Your Committee on Ocean Recreation and Marine Resources amended the resolution as follows:

- (1) Amended page 1, paragraph 1, to read, “WHEREAS, the abundance of coral and other marine life in waters off Waikiki presently is sparse;

- (2) Included "palu" in the study along with artificial reefs, fish feeding, and chumming;
- (3) Included on page 1, paragraph 6 "have raised concerns that these practices might attract sharks into nearshore waters";
- (4) Removed all references to Atlantis Submarines Company and the Dean of the University of Hawaii's School of Ocean and Earth Science and Technology, and thereby made the Department of Land and Natural Resources solely responsible for the implementation of the study;
- (5) Clarified the scope of the study by asking that it "determine if there is a positive, negative, or neutral correlation between the presence of artificial reefs, the practices of fish feeding, chumming, and palu, and shark risks to inshore recreational users";
- (6) Broadened the input of this study on page 2, paragraph by requesting the Department of Land and Natural Resources "to seek input and support from interested persons and ocean related organizations, including, but not limited to, scientists, ocean recreationists, the native Hawaiian community, and the fishing community";
- (7) Extended the time and limited the area for deferral of new artificial reef development by adding to page 2, paragraph 3, "only within the coastal area out to two miles between Diamond Head Lighthouse and Honolulu Harbor until January, 1995";
- (8) Allowed for a more comprehensive study on page 2, paragraph 4, by asking the Department of Land and Natural Resources to report preliminary findings and recommendations to the Legislature by January, 1994 and submit a finalized report with recommendations by January, 1995; and
- (9) Made technical and nonsubstantive changes for the purposes of style and clarity.

Your Committee on Ocean Recreation and Marine Resources recognizes the need for safe waters and the need for proper use of our ocean resources. It is the hope of your Committee that the Department of Land and Natural Resources will take advantage of this opportunity to include the advice and concerns of diverse interests in this study through an independent facilitator. It is important to mediate any conflicts which arise among the various parties interested in using Mamala Bay.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 176, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 176, H.D. 1.

**SCRep. 997      Ocean Recreation and Marine Resources on H.R. No. 177**

The purpose of this House resolution, as received by your Committee, is to urge the Department of Land and Natural Resources to be a resource bank for information garnered from a study conducted by the Hawaii Institute of Marine Biology on the health of coral reefs in Hawaii's ocean waters.

Your Committee on Ocean Recreation and Marine Resources heard supportive testimony from the Hawaii Institute of Marine Biology and the University of Hawaii School of Ocean and Earth Science and Technology.

Additional supportive testimony was heard from the Waikiki Aquarium, the Hanauma Bay Educational Programs, and the Marine Option Program of Windward Community College.

The Department of Land and Natural Resources expressed concern that the resolution is premature, given the current budget situation and the absence of a finalized study.

Your Committee on Ocean Recreation and Marine Resources finds that information on the health of Hawaii's coral reefs is sparse and, from what little information that is available, some reefs show signs of significant deterioration.

In 1991, the Legislature appropriated \$43,000 to commission the Hawaii Institute of Marine Biology to assess the health and monitor the long-term status of three reefs: Hanauma Bay, Oahu; Puako Bay, the Big Island; and Honolua Bay, Maui.

Your Committee on Ocean Recreation and Marine Resources has amended this House resolution as follows:

- (1) Page 1, paragraph 7: amended to read, "WHEREAS, the need to address the health of Hawaii's coral reefs is important since there has been no comprehensive survey of the health of coral reefs in Hawaii's ocean waters;
- (2) Page 1, paragraph 8: deleted entire paragraph;
- (3) Page 2, paragraph 1: amended to read "is requested to consider in its planning the information garnered by the study of the health of coral reefs in Hawaii's ocean waters.

All references to "data banks" and "information banks" have been deleted to address the concerns of the Department of Land and Natural Resources. Your Committee finds that the results of the study should be considered by the Department of Land and Natural Resources, Aquatic Resources Division.

Your Committee on Ocean Recreation and Marine Resources intends to send a message to the Department of Land and Natural Resources that the forthcoming report on the health of Hawaii's coral reefs should receive attention and consideration this year. In doing this, the Legislature will be enabled to consider adequate legislation next session, should the report require such a response.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 177, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 177, H.D. 1.

Signed by all members of the Committee except Representatives Amaral, Herkes and Tajiri.

**SCRep. 998                      Ocean Recreation and Marine Resources on H.C.R. No. 181**

The purpose of this House concurrent resolution, as received by your Committee, is to urge the Department of Land and Natural Resources to be a resource bank for information garnered from a study conducted by the Hawaii Institute of Marine Biology on the health of coral reefs in Hawaii's ocean waters.

Your Committee on Ocean Recreation and Marine Resources heard supportive testimony from the Hawaii Institute of Marine Biology and the University of Hawaii School of Ocean and Earth Science and Technology.

Additional supportive testimony was heard from the Waikiki Aquarium, the Hanauma Bay Educational Programs, and the Marine Option Program of Windward Community College.

The Department of Land and Natural Resources expressed concern that the concurrent resolution is premature, given the current budget situation and the absence of a finalized study.

Your Committee on Ocean Recreation and Marine Resources finds that information on the health of Hawaii's coral reefs is sparse and, from what little information that is available, some reefs show signs of significant deterioration.

In 1991, the Legislature appropriated \$43,000 to commission the Hawaii Institute of Marine Biology to assess the health and monitor the long-term status of three reefs: Hanauma Bay, Oahu; Puako Bay, the Big Island; and Honolua Bay, Maui.

Your Committee on Ocean Recreation and Marine Resources has amended this House concurrent resolution as follows:

- (1)        Page 1, paragraph 7: amended to read, "WHEREAS, the need to address the health of Hawaii's coral reefs is important since there has been no comprehensive survey of the health of coral reefs in Hawaii's ocean waters;
- (2)        Page 1, paragraph 8: deleted entire paragraph;
- (3)        Page 2, paragraph 1: amended to read "is requested to consider in its planning the information garnered by the study of the health of coral reefs in Hawaii's ocean waters.

All references to "data banks" and "information banks" have been deleted to address the concerns of the Department of Land and Natural Resources. Your Committee finds that the results of the study should be considered by the Department of Land and Natural Resources, Aquatic Resources Division.

Your Committee on Ocean Recreation and Marine Resources intends to send a message to the Department of Land and Natural Resources that the forthcoming report on the health of Hawaii's coral reefs should receive attention and consideration this year. In doing this, the Legislature will be enabled to consider adequate legislation next session, should the report require such a response.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 181, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 181, H.D. 1.

Signed by all members of the Committee except Representatives Amaral, Herkes and Tajiri.

**SCRep. 999                      Ocean Recreation and Marine Resources on H.C.R. No. 180**

The purpose of this House concurrent resolution is to request the Board of Land and Natural Resources to conduct a study to determine the impact that fish feeding and artificial reefs have on sharks.

This House concurrent resolution stemmed from House Bills 1132 and 1133, which sought to prohibit the building of artificial reefs and the practice of commercial fish feeding in Mamala Bay, between the Diamond Head Lighthouse and Honolulu Harbor out to two miles off shore.

Your Committee on Ocean Recreation and Marine Resources finds that information on whether the presence of artificial reefs and the practices of fish feeding actually increase the risks of shark attacks is very sparse. While the concerns of many ocean users are genuine (with regard to the possibility of shark attack), the lack of scientific data provided made it difficult to substantiate these concerns. Your Committee on Ocean Recreation and Marine Resources feels that more information needs to be obtained before any new legislation is introduced affecting the practices of fish feeding and artificial reef building.



Supportive testimony was heard from the Department of Land and Natural Resources, which recommended that the deferral of consideration of permits for new artificial reef development be limited only within the coastal area out to two miles, and between Diamond Head Lighthouse and Honolulu Harbor. The Department added that existing funds were available through moneys appropriated for the Shark Task Force.

The University of Hawaii Environmental Center testified in favor of the concurrent resolution yet added that, given the nature of the study, it might take longer than just one year to complete. The Center suggested that a preliminary report be filed in January 1994, and a finalized report be submitted to the Legislature in January 1995.

Atlantis Submarines, Inc. testified in support of this measure, although it wanted the study to be specific to shark species which are known to be lethal to people. Ocean recreation users voiced support for a study, yet wanted the study to include all species of sharks in light of the fact that any large shark could attack a person, though perhaps not fatally.

Your Committee on Ocean Recreation and Marine Resources amended the concurrent resolution as follows:

- (1) Amended page 1, paragraph 1, to read, "WHEREAS, the abundance of coral and other marine life in waters off Waikiki presently is sparse; and";
- (2) Included "palu" in the study along with artificial reefs, fish feeding, and chumming;
- (3) Included on page 1, paragraph 6 "have raised concerns that these practices might attract sharks into nearshore waters; and";
- (4) Removed all references to Atlantis Submarines Company and the Dean of the University of Hawaii's School of Ocean and Earth Science and Technology, and thereby made the Department of Land and Natural Resources solely responsible for the implementation of the study;
- (5) Clarified the scope of the study by asking that it "determine if there is a positive, negative, or neutral correlation between the presence of artificial reefs, the practices of fish feeding, chumming, and palu, and shark risks to inshore recreational users";
- (6) Broadened the input of this study on page 2, paragraph 2, by requesting the Department of Land and Natural Resources "to seek input and support from interested persons and ocean related organizations, including, but not limited to, scientists, ocean recreationists, the native Hawaiian community, and the fishing community";
- (7) Extended the time and limited the area for deferral of new artificial reef development by adding to page 2, paragraph 3, "only within the coastal area out to two miles between Diamond Head Lighthouse and Honolulu Harbor until January, 1995";
- (8) Allowed for a more comprehensive study on page 2, paragraph 4, by asking the Department of Land and Natural Resources to report preliminary findings and recommendations to the Legislature by January, 1994 and submit a finalized report with recommendations by January, 1995; and
- (9) Made technical and nonsubstantive changes for the purposes of style and clarity.

Your Committee on Ocean Recreation and Marine Resources recognizes the need for safe waters and the need for proper use of our ocean resources. It is the hope of your Committee that the Department of Land and Natural Resources will take advantage of this opportunity to include the advice and concerns of diverse interests in this study through an independent facilitator. It is important to mediate any conflicts which arise among the various parties interested in using Mamala Bay.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 180, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 180, H.D. 1.

Signed by all members of the Committee except Representatives Amaral, Herkes and Tajiri.

#### **SCRep. 1000 Finance on S.B. No. 1713**

The purpose of this bill is to make an emergency appropriation to the Medical Assistance (Medicaid) Program to ensure that sufficient funds are available to reimburse health care providers for the current fiscal year.

Your Committee has received a message from Governor stating that a critical funding emergency exists in the Medicaid Program and requesting the Legislature to make an emergency appropriation to ensure the continuation of the Program.

S.B. No. 1713 is a companion measure to H.B. No. 2023 which was previously heard by your Committee on February 18, 1993, and reported out in the identical form now before your Committee.

The Department of Human Services at that hearing testified in favor of this appropriation, noting that the Medicaid Program will have a funding shortfall before the end of the current fiscal year because of a number of factors, including:

- (1) Double digit health care inflation rates;
- (2) An increase in the number of Medicaid recipients;

- (3) A higher utilization of health care services; and
- (4) A reduction of federal Medicaid matching funds.

Without an emergency appropriation of \$35,250,924 in general funds, and \$12,336,347 in federal funds, the Medicaid program will make its final payment on April 15, 1993.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1713, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

**SCRep. 1001 Finance on S.B. No. 1420**

The purpose of this bill is to make an emergency appropriation to prevent the reduction or discontinuance of financial assistance payments to needy individuals and families under the payment programs, Aid to Families with Dependent Children (AFDC), General Assistance (GA), and Aid to the Aged, Blind, and Disabled (AABD).

Your Committee has received a message from the Governor stating that a critical funding emergency exists in the financial assistance payment programs and requesting the Legislature to make an emergency appropriation to ensure the continuation of the financial assistance payments.

S.B. No. 1420 is a companion measure to H.B. No. 1645 which was previously heard by your Committee on February 18, 1993, and reported out in the identical form now before your Committee.

The Department of Human Services at that hearing testified in favor of this appropriation, noting that the payment programs will have a funding shortfall before the end of the fiscal year because of:

- (1) An increase in the caseload;
- (2) An increase in the unemployment rate;
- (3) An annual increase in the standard of assistance averaging approximately three to five percent each year; and
- (4) A decrease in the federal financial participation rate.

Without this emergency appropriation of \$6,175,152 in the general funds, and \$4,736,586 in federal funds, the payment programs will deplete their funds at the end of March, 1993.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1420, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

**SCRep. 1002 Higher Education and the Arts and Transportation on H.R. No. 116**

The purpose of this resolution is to request the University of Hawaii to examine the feasibility of a staggered class schedule to reduce traffic congestion in the Manoa area.

Your Committees received testimony in support of this resolution from the Department of Transportation. The University of Hawaii supported the intent of the resolution, but, because of budgetary and other constraints, did not believe its implementation was feasible at this time.

Upon consideration, your Committees amended the resolution by:

- (1) Changing the title from: "HOUSE RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII TO EXAMINE THE FEASIBILITY OF A STAGGERED CLASS SCHEDULE" to "HOUSE RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII TO EXAMINE THE FEASIBILITY OF A STAGGERED CLASS SCHEDULE AND MORE CLASS OFFERINGS" to reflect the broader problem of limited course offering for freshmen and sophomores;
- (2) Noting that the limited parking available on campus also contributes to early-morning traffic congestion;
- (3) Adding the point that freshmen and sophomore students at the University are complaining about the lack of required course offerings;
- (4) Removing the Board of Regents from the study request; and
- (5) Making other technical, non-substantive amendments for the purposes of style and clarity.

In addition, your Committees would like to note that a number of professors at the University of Hawaii are not currently teaching a full course load, and that if these professors could be brought up to a full teaching load within the terms of their employment contracts, it might be possible to offer more required courses for freshmen and sophomores with little or no additional cost.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of H.R. No. 116, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 116, H.D. 1.

Signed by all members of the Committees except Representatives Apo, Arakaki, Beirne, M. Ige and Taniguchi.

**SCRep. 1003 Higher Education and the Arts and Transportation on H.C.R. No. 120**

The purpose of this concurrent resolution is to request the University of Hawaii to examine the feasibility of a staggered class schedule to reduce traffic congestion in the Manoa area.

Your Committees received testimony in support of this concurrent resolution from the Department of Transportation. The University of Hawaii supported the intent of the concurrent resolution, but, because of budgetary and other constraints, did not believe its implementation was feasible at this time.

Upon consideration, your Committees amended the concurrent resolution by:

- (1) Changing the title from: "HOUSE CONCURRENT RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII TO EXAMINE THE FEASIBILITY OF A STAGGERED CLASS SCHEDULE" to "HOUSE CONCURRENT RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII TO EXAMINE THE FEASIBILITY OF A STAGGERED CLASS SCHEDULE AND MORE CLASS OFFERINGS" to reflect the broader problem of limited course offering for freshmen and sophomores;
- (2) Noting that the limited parking available on campus also contributes to early-morning traffic congestion;
- (3) Adding the point that freshmen and sophomore students at the University are complaining about the lack of required course offerings;
- (4) Removing the Board of Regents from the study request; and
- (5) Making other technical, non-substantive amendments for the purposes of style and clarity.

In addition, your Committees would like to note that a number of professors at the University of Hawaii are not currently teaching a full course load, and that if these professors could be brought up to a full teaching load within the terms of their employment contracts, it might be possible to offer more required courses for freshmen and sophomores with little or no additional cost.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of H.C.R. No. 120, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 120, H.D. 1.

Signed by all members of the Committees except Representatives Apo, Arakaki, Beirne, Duldulao, M. Ige and Taniguchi.

**SCRep. 1004 Higher Education and the Arts and Education on H.R. No. 115**

The purpose of this resolution is to request the University of Hawaii to conduct a study on teacher training in the State.

Your Committees received testimony in support of the resolution from the Department of Education (DOE). The University of Hawaii and the Hawaii State Teachers Association (HSTA) supported the intent of the resolution, with some suggested amendments. In particular, the HSTA stated that more training and education opportunities for teachers are needed, and that the University should develop an action plan, with the DOE and the HSTA, to address that need.

After consideration, your Committees amended the resolution by:

- (1) Narrowing the focus of the study to emphasize the relative merits of requiring students to complete courses in education, or courses in a specific discipline only; and
- (2) Making technical, non-substantive amendments for the purposes of clarity and style.

Your Committees would also like to note their intention that the University of Hawaii examine the practices of other top-rated Universities nationwide in regard to teacher training, and whether it is more effective to require education courses at a graduate or undergraduate level.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Education that are attached to this report, your Committees are in accord with the intent and purpose of H.R. No. 115,

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

Signed by all members of the Committees except Representatives Apo, Arakaki, Beirne, Duldulao, M. Ige, Isbell and Taniguchi.

**SCRep. 1005 Higher Education and the Arts and Education on H.C.R. No. 121**

The purpose of this concurrent resolution is to request the University of Hawaii to conduct a study on teacher training in the State.

Your Committees received testimony in support of the concurrent resolution from the Department of Education (DOE). The University of Hawaii and the Hawaii State Teachers Association (HSTA) supported the intent of the concurrent resolution, with some suggested amendments. In particular, the HSTA stated that more training and education opportunities for teachers are needed, and that the University should develop an action plan, with the DOE and the HSTA, to address that need.

After consideration, your Committees amended the concurrent resolution by:

- (1) Narrowing the focus of the study to emphasize the relative merits of requiring students to complete courses in education, or courses in a specific discipline only; and
- (2) Making technical, non-substantive amendments for the purposes of clarity and style.

Your Committees would also like to note their intention that the University of Hawaii examine the practices of other top-rated Universities nationwide in regard to teacher training, and whether it is more effective to require education courses at a graduate or undergraduate level.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Education that are attached to this report, your Committees are in accord with the intent and purpose of H.C.R. No. 121, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 121, H.D. 1.

Signed by all members of the Committees except Representatives Apo, Arakaki, Beirne, Duldulao, M. Ige, Isbell and Taniguchi.

**SCRep. 1006 Hawaiian Affairs on S.B. No. 1839**

The purpose of this bill is to recognize September 2 as "Queen Lili'uokalani Day."

Your Committee received testimony in support of this bill from the Office of Hawaiian Affairs. Your Committee was informed that for the last 10 years September 2 has been celebrated by Hawaiian organizations in commemoration of the birth of Queen Lili'uokalani.

Your Committee finds that a day to honor the memory of Queen Lili'uokalani is rightful in light of her contributions to the Hawaiian people during her reign as Hawaii's last monarch.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1839 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 Beirne.

**SCRep. 1007 Agriculture on S.B. No. 1158**

The purpose of this bill is to emphasize and strengthen the State's commitment to agriculture. Specifically, this bill amends Section 226-7, Hawaii Revised Statutes, relating to the Hawaii State Plan, by adding:

- (1) A new objective, whereby planning for the State's economy with regard to agriculture shall be directed towards achievement of "an agriculture industry that continues to constitute a dynamic and essential component of Hawaii's strategic, economic, and social well-being"; and
- (2) Four new policies, delineating the State's policy to:
  - (a) Establish a clear direction for Hawaii's agriculture industry through stakeholder commitment and advocacy;
  - (b) Encourage agriculture by making the best use of natural resources;
  - (c) Provide the Governor and the Legislature with information and options needed for prudent decision making for the development of agriculture; and

- (d) Establish strong relationships between the agricultural and visitor industries for mutual marketing benefits.

Supporting testimony was received from the Chair and the members of the Hawaii County Council, the Department of Agriculture, and the University of Hawaii College of Tropical Agriculture and Human Resources. Your Committee also received testimony in support of the intent of the bill from the Hawaii Farm Bureau Federation.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1158, 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 Marumoto.

**SCRep. 1008      Agriculture and Energy and Environmental Protection on H.R. No. 193**

The purpose of this resolution is to request the Department of Agriculture (DOA) to investigate the feasibility of establishing a waste recovery system for the livestock industry at Campbell Industrial Park. In particular, the resolution requests the DOA to examine:

- (1) The method and cost of establishing a waste recovery system at Campbell Industrial Park;
- (2) The requirements of such a system in terms of space, acreage, equipment, and buildings; and
- (3) Any other relevant issues related to establishing a waste recovery system at Campbell Industrial Park.

The DOA submitted written comments on the resolution.

As affirmed by the records of votes of the members of your Committees on Agriculture and Energy and Environmental Protection that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 193 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Hiraki, Takamine, Tam and Thielen.

**SCRep. 1009      Agriculture on H.R. No. 336**

The purpose of this resolution is to request the Department of Agriculture (DOA) to conduct a demonstration project of the Arigum crop in order to examine, among other things, its commercial potential. The resolution also directs the DOA to report its findings and recommendations to the Legislature at least twenty days before the convening of the Regular Session of 1994.

Arigum is a patented hybrid plant that is the result of a twelve-year research and development program conducted by the University of Arizona and an Australian company, Arigum Plantations Pty. Ltd. According to Pacific Synergy Inc., the company appointed to conduct the technology transfer of the new plant Arigum, harvesting of Arigum is relatively simple and is not unlike that of harvesting sugarcane, except no burn-off of the land is needed. Once the Arigum crop is cut, it is taken to a mobile extraction plant where crude resin is extracted. The remaining bagasse can then be sold for other purposes or kept as a high protein food supplement for livestock.

Pacific Synergy Inc. testified in strong support of the measure. The DOA submitted written comments on the resolution.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 336 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Tam.

**SCRep. 1010      Human Services on H.C.R. No. 371**

The purpose of this resolution is to request the United States Congress to give assurances to the states that the federal matching assistance percentage and the amounts received as federal matching funds by the states from the federal government, under Title XIX of the Social Security Act, will not be reduced.

Testimony from the Department of Human Services was received in support of this resolution.

Your Committee finds that the Department of Human Services has been experiencing significant increases in expenditures of the Medicaid program. These increased expenditures over the past few years, coupled with a decrease in the federal matching percentage over those years, has required the department to request additional funds from the state to support its Medicaid population. Thus, any further decrease in federal assistance will impose a heavy burden upon the general fund of the State of Hawaii.

Your Committee is in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 371 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Duldulao, Ihara and Peters.

**SCRep. 1011                      Human Services on H.R. No. 242**

The purpose of this resolution is to urge the United States Congress to enact legislation that would eliminate inequities in the payment of social security benefits that are based on the year that a person initially becomes eligible for such benefits.

Testimony from the Kokua Council for Senior Citizens was received in support of this resolution.

Your Committee finds that persons born between 1917 and 1926, commonly referred to as "notch babies", receive lower social security benefits than persons born before 1917. The payment of benefits under the social security system is not based on need or other considerations related to welfare. Rather, it is based on a program of insurance based on contributions by persons and their respective employers. The Social Security Trust Fund has adequate reserves to solve this problem without reducing the benefits of persons who were born before 1917. Thus, a need exists to correct this discriminating inequity imposed upon the "notch babies".

Your Committee is in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 242 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Duldulao, Ihara and Peters.

**SCRep. 1012                      Human Services on H.C.R. No. 247**

The purpose of this concurrent resolution is to urge the United States Congress to enact legislation that would eliminate inequities in the payment of social security benefits that are based on the year that a person initially becomes eligible for such benefits.

Testimony from the Kokua Council for Senior Citizens was received in support of this concurrent resolution.

Your Committee finds that persons born between 1917 and 1926, commonly referred to as "notch babies", receive lower social security benefits than persons born before 1917. The payment of benefits under the social security system is not based on need or other considerations related to welfare. Rather, it is based on a program of insurance based on contributions by persons and their respective employers. The Social Security Trust Fund has adequate reserves to solve this problem without reducing the benefits of persons who were born before 1917. Thus, a need exists to correct this discriminating inequity imposed upon the "notch babies".

Your Committee is in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 247 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Duldulao, Ihara and Peters.

**SCRep. 1013                      Human Services on H.R. No. 392**

The purpose of this resolution is to urge Hawaii's congressional delegation to pursue an amendment to the Social Security Act that would ensure an adjustment to the calculation of the Federal Medical Assistance Percentage for Hawaii by factoring in the cost of living allowance of the state.

Testimony from the Department of Human Services, the Mental Health Association in Hawai'i, and Kaiser Permanente was received in strong support of this measure.

Your Committee finds that adjustment of the Federal Medical Assistance Percentage calculation would ensure that federal programs are funded in dollars equal to Hawaii's tax contributions, which are based on higher per capita income than most other states. Currently, the method of calculation fails to acknowledge Hawaii's high cost of living. Any such amendment to the Social Security Act would positively impact not only the Medicaid program, but Aid to Families with Dependent Children, the Job Opportunities and Basic Skills program, foster care, and many Department of Health programs that claim medicaid reimbursement. If successful, this initiative has the potential for providing Hawaii with approximately \$83 million in additional federal matching funds.

Your Committee is in full support of this resolution.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 392 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Duldulao, Ihara and Peters.

**SCRep. 1014                      Human Services on H.C.R. No. 440**

The purpose of this concurrent resolution is to urge Hawaii's congressional delegation to pursue an amendment to the Social Security Act that would ensure an adjustment to the calculation of the Federal Medical Assistance Percentage for Hawaii by factoring in the cost of living allowance of the state.

Testimony from the Department of Human Services, the Mental Health Association in Hawai'i, and Kaiser Permanente was received in strong support of this measure.

Your Committee finds that adjustment of the Federal Medical Assistance Percentage calculation would ensure that federal programs are funded in dollars equal to Hawaii's tax contributions, which are based on higher per capita income than most other states. Currently, the method of calculation fails to acknowledge Hawaii's high cost of living. Any such amendment to the Social Security Act would positively impact not only the Medicaid program, but Aid to Families with Dependent Children, the Job Opportunities and Basic Skills program, foster care, and many Department of Health programs that claim medicaid reimbursement. If successful, this initiative has the potential for providing Hawaii with approximately \$83 million in additional federal matching funds.

Your Committee is in full support of this concurrent resolution.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 440 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Duldulao, Ihara and Peters.

**SCRep. 1015                      Human Services on H.R. No. 422**

The purpose of this resolution is to urge the President of the United States to support and provide funding for the Healthy Families America initiative, which could significantly reduce the rates of the interrelated problems of childhood, including abuse and neglect, poor child health, and lack of school readiness, as part of the long-term national economic recovery program.

Testimony from the Department of Health, the Hawaii Chapter of the American Academy of Pediatrics, and the Hawaii Medical Association was received in strong support of this measure.

It is noted that the Healthy Families America initiative was built upon the foundation of Hawaii's Healthy Start program, which is a statewide, intensive home visitation program designed to strengthen families by building parenting capacity, assuring healthy child development, and preventing child abuse and neglect.

Your Committee finds that the Healthy Start program reached over 1,200 families in a two-year period, at an estimated cost of \$2,200 to \$2,500 per family, and consistently documented no physical abuse or neglect for over 99% of the high risk families served. Where the aim of the Healthy Start program is to screen 50% of families with newborns for the need of home visitation and other family support services, the fact is that current funds only allow for the maintenance of existing caseloads and very few new slots for new families. The President of the United States has indicated that discretionary funds of \$60 million in fiscal year 1993-1994 (\$1.1 billion over fiscal years 1994-1997) would be set aside to respond to issues of parenting and family support, including activities to help disadvantaged parents work with their children at home. Should federal funds be allocated for Healthy Families America, Hawaii would have an opportunity to apply for such funds, and attain the goal of the Department of Health to screen 90% of all Hawaii births, and to provide home visitation services for all high risk families.

The value of the Healthy Families America initiative to support families, improve child health, and prevent maltreatment can readily be seen in the successes of the Healthy Start model. Your Committee is in full support of this resolution.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 422 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Duldulao, Ihara and Peters.

**SCRep. 1016                      Human Services on H.C.R. No. 473**

The purpose of this concurrent resolution is to urge the President of the United States to support and provide funding for the Healthy Families America initiative, which could significantly reduce the rates of the interrelated problems of childhood, including abuse and neglect, poor child health, and lack of school readiness, as part of the long-term national economic recovery program.



Testimony from the Department of Health, the Hawaii Chapter of the American Academy of Pediatrics, and the Hawaii Medical Association was received in strong support of this measure.

It is noted that the Healthy Families America initiative was built upon the foundation of Hawaii's Healthy Start program, which is a statewide, intensive home visitation program designed to strengthen families by building parenting capacity, assuring healthy child development, and preventing child abuse and neglect.

Your Committee finds that the Healthy Start program reached over 1,200 families in a two-year period, at an estimated cost of \$2,200 to \$2,500 per family, and consistently documented no physical abuse or neglect for over 99% of the high risk families served. Where the aim of the Healthy Start program is to screen 50% of families with newborns for the need of home visitation and other family support services, the fact is that current funds only allow for the maintenance of existing caseloads and very few new slots for new families. The President of the United States has indicated that discretionary funds of \$60 million in fiscal year 1993-1994 (\$1.1 billion over fiscal years 1994-1997) would be set aside to respond to issues of parenting and family support, including activities to help disadvantaged parents work with their children at home. Should federal funds be allocated for Healthy Families America, Hawaii would have an opportunity to apply for such funds, and attain the goal of the Department of Health to screen 90% of all Hawaii births, and to provide home visitation services for all high risk families.

The value of the Healthy Families America initiative to support families, improve child health, and prevent maltreatment can readily be seen in the successes of the Healthy Start model. Your Committee is in full support of this concurrent resolution.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 473 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Duldulao, Ihara and Peters.

**SCRep. 1017                      Human Services on H.R. No. 338**

The purpose of this resolution is to request the United States Congress to give assurances to the states that the federal matching assistance percentage and the amounts received as federal matching funds by the states from the federal government, under Title XIX of the Social Security Act, will not be reduced.

Testimony from the Department of Human Services was received in support of this resolution.

Your Committee finds that the Department of Human Services has been experiencing significant increases in expenditures of the Medicaid program. These increased expenditures over the past few years, coupled with a decrease in the federal matching percentage over those years, has required the department to request additional funds from the state to support its Medicaid population. Thus, any further decrease in federal assistance will impose a heavy burden upon the general fund of the State of Hawaii.

Your Committee is in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 338 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Duldulao, Ihara and Peters.

**SCRep. 1018                      Agriculture on S.C.R. No. 41**

The purpose of this concurrent resolution is two-fold:

- (1) To request Hawaii's U.S. Congressional Delegation to oppose the North American Free Trade Agreement (NAFTA), in its present form, in order to protect Hawaii's sugar and agricultural industries; and
- (2) To represent the Legislature's stand in opposition to NAFTA in its present form.

Your Committee recognizes that NAFTA, as currently written, provides little safeguard against the flooding of the U.S. domestic and world markets in future years from the export of Mexico's entire sugar crop surplus. This would place Hawaii's farmers and growers at unfair disadvantage from Mexico, and would have a debilitating effect on Hawaii's sugar, diversified agricultural, and tourism industries.

Your Committee received testimony in support of the intent of the concurrent resolution from the Department of Agriculture (DOA). The DOA understands that NAFTA cannot now be modified by the U.S. Congress to alter its intent. Rather, NAFTA must be approved or rejected in its entirety. In submitted testimony, the DOA indicated its hope that reasonable safeguards be found through side agreements to protect the interests of sugar and other commodities in the State.

The Director of the Office of International Relations also testified the importance that Hawaii's concerns be addressed in negotiations on the side agreements to NAFTA on environmental, labor, and import-surge issues; and that the State carefully design its strategy to make itself heard during the negotiations on NAFTA's side agreements and during the drafting of implementing legislation that will enact the NAFTA accord.

The Hawaiian Sugar Planters' Association and its member companies, and the ILWU Local 142 testified in strong support of the concurrent resolution. The Chair of the Maui County Council also testified in support of the measure. The Hawaii Farm Bureau Federation (HFBF) supports the inclusion of provisions in NAFTA to allow side agreements to accommodate Hawaii's agriculture commodities that are sensitive to the NAFTA. HFBF also supports a NAFTA concept, provided the side agreements to NAFTA are confirmed.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 41, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Morihara and Tam.

**SCRep. 1019                      Finance on S.B. No. 240**

The purpose of this bill is to repeal the authority of the Comptroller to establish, upon the recommendation of the Director of Finance, special accounts or special funds for designated revenues on behalf of the University of Hawaii.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 240 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 Tajiri.

**SCRep. 1020                      Finance on S.B. No. 1641**

The purpose of this bill is to apportion the office space at the State Capitol Building (State Capitol) between the Legislative and Executive branches.

More specifically, this bill provides that:

- (1) The basement to the fourth floor of the State Capitol shall be under the exclusive jurisdiction and for the exclusive use of the Legislature, provided that a portion of the fourth floor not required for legislative purposes may be designated for use by the Department of Budget and Finance (B&F); and
- (2) The fifth floor of the State Capitol shall be under the exclusive jurisdiction and for the exclusive use of the Governor and Lieutenant Governor.

The Department of Accounting and General Services (DAGS) did not support this bill. DAGS testified that, while recognizing the need for additional space by both the Legislative and Executive branches, assignment of office space through legislation was not necessary. In addition, DAGS stated its willingness to continue discussion on this subject.

Currently, the specific use of the State Capitol is not provided by law. Because the building is vacant due to asbestos mitigation, your Committee concurs that now is the time to resolve the apportionment of office space of the State Capitol. In addition, your Committee believes that apportioning the office space of the State Capitol during this time will contribute to a more expedient and efficient reoccupancy of the State Capitol once the asbestos removal project is completed.

Upon further consideration, your Committee has amended this bill by:

- (1) Clarifying that DAGS provide for the operation and maintenance of the basement through the fourth floor of the State Capitol for the Legislature;
- (2) Specifying that:
  - (a) The basement to the fourth floor shall be for the exclusive use of the Legislature, provided that the Legislature may designate a portion of the fourth floor for use by the Executive Branch; and
  - (b) The fifth floor shall be for the exclusive use of the Governor and Lieutenant Governor; and
- (3) Providing the Executive Branch with more flexibility in its office use by specifying that the Legislature may designate a portion of the fourth floor not required for legislative purposes for use by the Executive Branch, rather than by B&F.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1641, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1641, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Tajiri.

**SCRep. 1021                      Finance on S.B. No. 261**

The purpose of this bill is to comply with the requirements of Article VII, section 6, of the Constitution of the State of Hawaii. This section requires the Legislature to provide either a tax refund or a tax credit to qualified taxpayers whenever the state general fund balance at the close of each of two successive fiscal years exceeds five percent of the general fund revenues for each of the two fiscal years.

The Department of Taxation and the Tax Foundation of Hawaii submitted comments on this bill.

Upon further consideration, your Committee has amended this measure by providing a tax credit of \$0 for the purposes of continued discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 261, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 261, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 1022      Energy and Environmental Protection on H.R. No. 239**

The purpose of this resolution is to request the Governor to institute recycling programs for paper products, metal, and glass purchased by State agencies.

The Department of Health, supported the intent of this measure, but had concerns about how the measure will be implemented. The Department has been attempting to implement a State Office Paper Recycling Program for the past year, however no additional budget or staff has been allocated. Without an appropriation of funds and the creation of permanent positions for coordination and education, the Department concluded that this resolution provided no improvement in the State Office Recycling Program.

Your Committee recognizes the need and importance of recycling programs and that, ideally, the State should serve as a recycling model for other governmental bodies and private industry. In order to begin this process, however, funding is desperately needed. Accordingly, the Department of Health has agreed to provide the Committee of Finance with a fiscal breakdown of the resources that would be needed to implement the State Office Recycling Programs.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 239 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hiraki, Hirono and Takamine.

**SCRep. 1023      Energy and Environmental Protection on H.C.R. No. 244**

The purpose of this concurrent resolution is to request the Governor to institute recycling programs for paper products, metal, and glass purchased by State agencies.

The Department of Health, supported the intent of this measure, but had concerns about how the measure will be implemented. The Department has been attempting to implement a State Office Paper Recycling Program for the past year, however no additional budget or staff has been allocated. Without an appropriation of funds and the creation of permanent positions for coordination and education, the Department concluded that this concurrent resolution provided no improvement in the State Office Recycling Program.

Your Committee recognizes the need and importance of recycling programs and that, ideally, the State should serve as a recycling model for other governmental bodies and private industry. In order to begin this process, however, funding is desperately needed. Accordingly, the Department of Health has agreed to provide the Committee of Finance with a fiscal breakdown of the resources that would be needed to implement the State Office Recycling Programs.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 244 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hiraki, Hirono and Takamine.

**SCRep. 1024      Consumer Protection and Commerce and Judiciary on H.R. No. 388**

The purpose of this resolution is to reaffirm the Legislature's commitment toward reducing the number of uninsured motorists on Hawaii's highways. Specifically, this resolution would request the Attorney General of the State of Hawaii to:

- (1) Examine the liability issues surrounding S.B. No. 2306, S.D. 1, H.D. 1, 1992, and propose amendments that would ensure that the substantive provisions of this bill passes the Governor's scrutiny; and
- (2) Submit its recommendations and proposed legislation to the Legislature at least twenty days prior to the adjournment of the Regular Session of 1993.

Testimony was submitted by the Department of Commerce and Consumer Affairs, the Hawaii Academy of Plaintiffs' Attorneys, and the Hawaii Insurers Council.

Your Committees find that:

- (1) There is a compelling need to reduce the number of uninsured motorists in the State, as evidenced by recent statistics that illustrate that one out of every five automobiles on the road is being driven without required "no-fault" insurance coverage;
- (2) A measure was approved by the Legislature last year that would have enhanced the enforcement of Hawaii's Motor Vehicle Insurance Law--S.B. No. 2306, S.D. 1, H.D. 1, 1992;
- (3) This measure was vetoed by the Governor because, among other things, a provision of the bill, as received, would have imposed potential liability on an insurer even after the cancellation or non-renewal of a no-fault policy;
- (4) The provisions of this resolution will facilitate the delivery of information needed to address the foregoing objection raised by the Governor.

While your Committees agree with the intent of this resolution, your Committees believe that language regarding the submittal of the Attorney General's opinion and proposed legislation must be clarified to ensure that the Legislature is provided with ample time to fully utilize this information during deliberations of S.B. No. 534, S.D. 1, H.D. 1.

In light of this, your Committees have amended this resolution by:

- (1) Instructing the Attorney General to submit its recommendations and proposed legislation to the Legislature before Saturday, April 10, 1993, the first non-holiday day after the Second Decking deadline; and
- (2) Making technical, nonsubstantive revisions for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.R. No. 388, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 388, H.D. 1.

Signed by all members of the Committees except Representatives Hiraki, Hirono, Menor, Oshiro, Peters and Takamine.

**SCRep. 1025 Consumer Protection and Commerce and Judiciary on H.C.R. No. 428**

The purpose of this concurrent resolution is to reaffirm the Legislature's commitment toward reducing the number of uninsured motorists on Hawaii's highways. Specifically, this concurrent resolution would request the Attorney General of the State of Hawaii to:

- (1) Examine the liability issues surrounding S.B. No. 2306, S.D. 1, H.D. 1, 1992, and propose amendments that would ensure that the substantive provisions of this bill passes the Governor's scrutiny; and
- (2) Submit its recommendations and proposed legislation to the Legislature at least twenty days prior to the adjournment of the Regular Session of 1993.

Testimony was submitted by the Department of Commerce and Consumer Affairs, the Hawaii Academy of Plaintiffs' Attorneys, and the Hawaii Insurers Council.

Your Committees find that:

- (1) There is a compelling need to reduce the number of uninsured motorists in the State, as evidenced by recent statistics that illustrate that one out of every five automobiles on the road is being driven without required "no-fault" insurance coverage;
- (2) A measure was approved by the Legislature last year that would have enhanced the enforcement of Hawaii's Motor Vehicle Insurance Law--S.B. No. 2306, S.D. 1, H.D. 1, 1992;
- (3) This measure was vetoed by the Governor because, among other things, a provision of the bill, as received, would have imposed potential liability on an insurer even after the cancellation or non-renewal of a no-fault policy;
- (4) The provisions of this concurrent resolution will facilitate the delivery of information needed to address the foregoing objection raised by the Governor.

While your Committees agree with the intent of this concurrent resolution, your Committees believe that language regarding the submittal of the Attorney General's opinion and proposed legislation must be clarified to ensure that the Legislature is provided with ample time to fully utilize this information during deliberations of S.B. No. 534, S.D. 1, H.D. 1.

In light of this, your Committees have amended this concurrent resolution by:

- (1) Instructing the Attorney General to submit its recommendations and proposed legislation to the Legislature before Saturday, April 10, 1993, the first non-holiday day after the Second Decking deadline; and
- (2) Making technical, nonsubstantive revisions for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.C.R. No. 428, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 428, H.D. 1.

Signed by all members of the Committees except Representatives Hiraki, Hirono, Menor, Oshiro, Peters and Takamine.

**SCRep. 1026      Consumer Protection and Commerce and Intergovernmental Relations and International Affairs on H.R. No. 389**

The purpose of this resolution is to reaffirm the Legislature's commitment toward reducing the number of uninsured motorists on Hawaii's highways. Specifically, this resolution would request the Director of Finance of the City and County of Honolulu (Honolulu Finance Director) to:

- (1) Determine the amount of state funds needed per fiscal year to expand statewide its existing computer network and on-line database to assist the respective county police departments to identify uninsured motorists; and
- (2) Submit a report of its findings and recommendations to the Legislature at least twenty days prior to the convening of the Regular Session of 1993.

Supportive testimony was submitted by the Department of Commerce and Consumer Affairs and the Hawaii Academy of Plaintiffs' Attorneys.

Your Committees find that:

- (1) There is a compelling need to reduce the number of uninsured motorists in the State, as evidenced by recent statistics that illustrate that one out of every five automobiles on the road is being driven without required "no-fault" insurance coverage;
- (2) A measure was approved by the Legislature last year that would have enhanced the enforcement of Hawaii's Motor Vehicle Insurance Law--S.B. No. 2306, S.D. 1, H.D. 1, 1992;
- (3) This measure was vetoed by the Governor because, among other things, a source of initial and continued state funding was not provided for a "mandated" responsibility delegated to a political subdivision; and
- (4) The provisions of this resolution will facilitate the delivery of information needed to address the foregoing objection raised by the Governor.

It is also your Committees' understanding that the information requested in this resolution will not require an exhaustive examination by the Honolulu Finance Director, and that the Honolulu Finance Director should not experience difficulties in submitting the cost figures to the Legislature prior to the adjournment of the 1993 Regular Session.

While your Committees agree with the intent of this resolution, your Committees believe that language regarding the submittal of the cost analysis should be clarified to ensure that the Legislature is provided with ample time to fully utilize this information during deliberations of S.B. No. 534, S.D. 1, H.D. 1.

In light of this, your Committees have amended this resolution by:

- (1) Instructing the Honolulu Finance Director to submit a report of its findings and recommendations to the Legislature before Saturday, April 10, 1993, the first non-holiday day after the Second Decking deadline; and
- (2) Making technical, nonsubstantive revisions for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Intergovernmental Relations and International Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.R. No. 389, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 389, H.D. 1.

Signed by all members of the Committees except Representatives Bainum, Hagino, Hiraki, Menor, Nakasone, Peters and Ward.

**SCRep. 1027      Consumer Protection and Commerce and Intergovernmental Relations and International Affairs on H.C.R. No. 429**

The purpose of this concurrent resolution is to reaffirm the Legislature's commitment toward reducing the number of uninsured motorists on Hawaii's highways. Specifically, this concurrent resolution would request the Director of Finance of the City and County of Honolulu (Honolulu Finance Director) to:

- (1) Determine the amount of state funds needed per fiscal year to expand statewide its existing computer network and on-line database to assist the respective county police departments to identify uninsured motorists; and
- (2) Submit a report of its findings and recommendations to the Legislature at least twenty days prior to the convening of the Regular Session of 1993.

Supportive testimony was submitted by the Department of Commerce and Consumer Affairs and the Hawaii Academy of Plaintiffs' Attorneys.

Your Committees find that:

- (1) There is a compelling need to reduce the number of uninsured motorists in the State, as evidenced by recent statistics that illustrate that one out of every five automobiles on the road is being driven without required "no-fault" insurance coverage;
- (2) A measure was approved by the Legislature last year that would have enhanced the enforcement of Hawaii's Motor Vehicle Insurance Law--S.B. No. 2306, S.D. 1, H.D. 1, 1992;
- (3) This measure was vetoed by the Governor because, among other things, a source of initial and continued state funding was not provided for a "mandated" responsibility delegated to a political subdivision; and
- (4) The provisions of this concurrent resolution will facilitate the delivery of information needed to address the foregoing objection raised by the Governor.

It is also your Committees' understanding that the information requested in this concurrent resolution will not require an exhaustive examination by the Honolulu Finance Director, and that the Honolulu Finance Director should not experience difficulties in submitting the cost figures to the Legislature prior to the adjournment of the 1993 Regular Session.

While your Committees agree with the intent of this concurrent resolution, your Committees believe that language regarding the submittal of the cost analysis should be clarified to ensure that the Legislature is provided with ample time to fully utilize this information during deliberations of S.B. No. 534, S.D. 1, H.D. 1.

In light of this, your Committees have amended this concurrent resolution by:

- (1) Instructing the Honolulu Finance Director to submit a report of its findings and recommendations to the Legislature before Saturday, April 10, 1993, the first non-holiday day after the Second Decking deadline; and
- (2) Making technical, nonsubstantive revisions for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Intergovernmental Relations and International Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.R. No. 429, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 389, H.D. 1.

Signed by all members of the Committees except Representatives Bainum, Hagino, Hiraki, Menor, Nakasone, Peters and Ward.

#### **SCRep. 1028 Higher Education and the Arts and Education on H.R. No. 356**

The purpose of this resolution is to request the University of Hawaii, the Department of Education and the East-West Center to coordinate their activities relating to high performance computing and communications programs in Hawaii.

The University of Hawaii testified in favor of the resolution.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Education that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 356 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives M. Ige, Ishell, Stogmaier and Taniguchi.  
(Representative Shon voted no.)

#### **SCRep. 1029 Higher Education and the Arts and Education on H.C.R. No. 389**

The purpose of this concurrent resolution is to request the University of Hawaii, the Department of Education and the East-West Center to coordinate their activities relating to high performance computing and communications programs in Hawaii.

The University of Hawaii testified in favor of the concurrent resolution.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Education that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 389 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives M. Ige, Isbell, Stegmaier and Taniguchi.  
(Representative Shon voted no.)

**SCRep. 1030      Energy and Environmental Protection on H.R. No. 277**

The purpose of this resolution is to encourage the Department of Business, Economic Development, and Tourism and other organizations such as the Pacific Business Center to develop and bring to commercial use, cost-effective renewable energy resources and energy technologies, and to export these technologies to Hawaii's Pacific Island neighbors.

Testimony in strong support of this resolution was presented by the Department of Business, Economic Development, and Tourism, the Pacific Business Center Program, and The Gas Company. The testifiers emphasized the importance of encouraging the development of businesses to pursue technology transfer as well as exploration of renewable energy systems that will establish Hawaii as a role model for other island nations to emulate.

Your Committee is in full agreement with the need for increasing Hawaii's sustainability of our own energy systems, at the same time, the State can also play an important role in transferring renewable energy technologies throughout the Pacific region. Your Committee also recognizes the Pacific Business Center's successful track record in fostering greater linkages between Hawaii and its Pacific neighbors, as well as federal and private businesses. Your Committee agrees that the Pacific Business Center will be one of the most effective mechanisms in achieving the goals outlined in this resolution.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 277 and recommends that it be referred to the Committee on Economic Development and Business Concerns.

Signed by all members of the Committee except Representatives Hiraki, Hirono and Takamine.

**SCRep. 1031      Energy and Environmental Protection on H.C.R. No. 280**

The purpose of this concurrent resolution is to encourage the Department of Business, Economic Development, and Tourism and other organizations such as the Pacific Business Center to develop and bring to commercial use, cost-effective renewable energy resources and energy technologies, and to export these technologies to Hawaii's Pacific Island neighbors.

Testimony in strong support of this concurrent resolution was presented by the Department of Business, Economic Development and Tourism, the Pacific Business Center Program, and The Gas Company. The testifiers emphasized the importance of encouraging the development of businesses to pursue technology transfer, as well as exploration of renewable energy systems that will establish Hawaii as a role model for other island nations to emulate.

Your Committee is in full agreement with the need for increasing Hawaii's sustainability of our own energy systems, at the same time, the State can also play an important role in transferring renewable energy technologies throughout the Pacific region. Your Committee also recognizes the Pacific Business Center's successful track record in fostering greater linkages between Hawaii and its Pacific neighbors, as well as federal and private businesses. Your Committee agrees that the Pacific Business Center will be one of the most effective mechanisms in achieving the goals outlined in this concurrent resolution.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 280 and recommends that it be referred to the Committee on Economic Development and Business Concerns.

Signed by all members of the Committee except Representatives Hiraki, Hirono and Takamine.

**SCRep. 1032      Energy and Environmental Protection and Agriculture on H.R. No. 184**

The purpose of this resolution is to request the Hawaii State Department of Agriculture to assess the need for, and determine of the resources needed to collect, collate, and publish data on pesticide and fertilizer usage in Hawaii.

In supporting this resolution, the Department of Agriculture;

- (1) Acknowledged that the data requested in the resolution represents the type of information needed to assess the benefits and risks of pesticides and fertilizer use in Hawaii;
- (2) Recommended that the project be extended to two years to allow adequate time for completion; and
- (3) Also recommended that it work cooperatively with the Department of Health, the Department of the Attorney General, and the Legislative Reference Bureau on this project.

Your Committees expressed concerns about the adequacy of existing data relating to: the proper/improper application of pesticides; and the actual amount of pesticides and fertilizers imported into the state and subsequently used. While the Department of Agriculture acknowledged that these types of data are currently lacking, the assessment requested in this resolution should begin to provide some of the answers.



Your Committees concur with the recommendations of the Department of Agriculture and have amended this resolution by:

- (1) Extending the project time line from one year to two years, to allow adequate time for completion; and
- (2) Recommending the the Department of Agriculture write this report, but to work cooperatively with the Department of Health, the Department of the Attorney General, and the Legislative Reference Bureau, to produce the report.

As affirmed by the records of votes of the members of your Committees on Energy and Environmental Protection and Agriculture that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 184, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 184, H.D. 1.

Signed by all members of the Committees except Representatives Hiraki, Takamine, Tam and Thielen.

**SCRep. 1033      Energy and Environmental Protection and Agriculture on H.C.R. No. 188**

The purpose of this concurrent resolution is to request the Hawaii State Department of Agriculture to assess the need for, and determine of the resources needed to collect, collate, and publish data on pesticide and fertilizer usage in Hawaii.

In supporting this concurrent resolution, the Department of Agriculture;

- (1) Acknowledged that the data requested in the concurrent resolution represents the type of information needed to assess the benefits and risks of pesticides and fertilizer use in Hawaii;
- (2) Recommended that the project be extended to two years to allow adequate time for completion; and
- (3) Also recommended that it work cooperatively with the Department of Health, the Department of the Attorney General, and the Legislative Reference Bureau on this project.

Your Committees expressed concerns about the adequacy of existing data relating to: the proper/improper application of pesticides; and the actual amount of pesticides and fertilizers imported into the state and subsequently used. While the Department of Agriculture acknowledged that these types of data are currently lacking, the assessment requested in this concurrent resolution should begin to provide some of the answers.

Your Committees concur with the recommendations of the Department of Agriculture and have amended this concurrent resolution by:

- (1) Extending the project time line from one year to two years, to allow adequate time for completion; and
- (2) Recommending the the Department of Agriculture write this report, but to work cooperatively with the Department of Health, the Department of the Attorney General, and the Legislative Reference Bureau, to produce the report.

As affirmed by the records of votes of the members of your Committees on Energy and Environmental Protection and Agriculture that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 188, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 188, H.D. 1.

Signed by all members of the Committees except Representatives Hiraki, Takamine, Tam and Thielen.

**SCRep. 1034      Energy and Environmental Protection on H.R. No. 335**

The purpose of this resolution is to direct the Committee on Energy and Environmental Protection to organize and conduct workshops and a conference during the 1993 interim to address energy and environmental concerns.

Testimony in support of this resolution included the Department of Health, the Hawaii Nature Center, the Pacific International Center for High Technology Research, the Hawaii Island Chamber of Commerce, Maui Chamber of Commerce, Snorkel Mania, The Gas Company, the University of Hawaii Natural Energy Institute, BHP Petroleum Americas, the Chamber of Commerce of Hawaii, and the Hawaiian Electric Company.

The testifiers were unanimous in their strong support of this resolution, identifying the importance of education as the first step in understanding all aspects of energy and environmental issues. Several testifiers noted that networking with other agencies and groups will be important to increasing understanding of the various energy and environmental programs and issues throughout the State. Testifiers also noted that the environmental cost should not be overlooked by the business community, since Hawaii's natural beauty is our one great appeal to the world, and the future of tourism is linked to the maintenance of Hawaii's natural resources. Testifiers from the Chamber of Commerce mentioned the need for all sectors of the community to work together to develop long-range strategies and tactical implementation plans for the most urgent environmental concerns.

Your Committee agrees with the intent of this resolution and the efforts that it outlines to bring together industry, government, and environmental organizations to identify and discuss environmental and energy problems and to develop solutions, without mandating laws. Your Committee also recognizes that for the conference to be successful, all segments

of the community: individuals, environmental groups, business representatives, as well as governmental agencies should be included and that the focus remain on Hawaii's energy and environmental problems.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 335 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Hiraki, Hirono and Takamine.

**SCRep. 1035      Transportation and Education on H.R. No. 172**

The purpose of this resolution is to form a task force to encourage the development of a private school bus program to assist in alleviating traffic congestion on major highways and arterials.

Your Committees received testimony from the State Department of Transportation, Department of Education, Hawaii Association of Independent Schools, and the Hawaii Transportation Association.

Your Committees find that the vast majority of private school students do not live in close proximity of their respective schools and therefore must drive or be driven daily to and from school, which contributes to traffic congestion problems. Furthermore, the development of a private school bus program, coordinated with daily school schedules, would greatly assist in easing peak hour traffic congestion.

Your Committees have amended this resolution by:

1. Requesting the Oahu Metropolitan Planning Organization (OMPO) to convene the task force;
2. Allowing the participation of public school students where ridership is conducive to the private school bus system;
3. Adding the Department of Accounting and General Services (DAGS) to the Task Force; and
4. Adding language stating that certified copies of this resolution be distributed to OMPO and to DAGS.

As affirmed by the records of votes of the members of your Committees on Transportation and Education that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 172, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 172, H.D. 1.

Signed by all members of the Committees except Representatives Arakaki, Duldulao, Hagino, M. Ige, Isbell, Takumi and Taniguchi.  
(Representatives Lee and Yonamine voted no.)

**SCRep. 1036      Transportation and Education on H.C.R. No. 176**

The purpose of this concurrent resolution is to form a task force to encourage the development of a private school bus program to assist in alleviating traffic congestion on major highways and arterials.

Your Committees received testimony from the State Department of Transportation, Department of Education, Hawaii Association of Independent Schools, and the Hawaii Transportation Association.

Your Committees find that the vast majority of private school students do not live in close proximity of their respective schools and therefore must drive or be driven daily to and from school, which contributes to traffic congestion problems. Furthermore, the development of a private school bus program, coordinated with daily school schedules, would greatly assist in easing peak hour traffic congestion.

Your Committees have amended this concurrent resolution by:

1. Requesting the Oahu Metropolitan Planning Organization (OMPO) to convene the task force;
2. Allowing the participation of public school students where ridership is conducive to the private school bus system;
3. Adding the Department of Accounting and General Services (DAGS) to the Task Force; and
4. Adding language stating that certified copies of this concurrent resolution be distributed to OMPO and to DAGS.

As affirmed by the records of votes of the members of your Committees on Transportation and Education that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 176, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 176, H.D. 1.

Signed by all members of the Committees except Representatives Arakaki, Duldulao, Hagino, M. Ige, Isbell, Takumi and Taniguchi.  
(Representatives Lee and Yonamine voted no.)

**SCRep. 1037      Transportation and Intergovernmental Relations and International Affairs on H.R. No. 288**

The purpose of this resolution is to request the Department of Transportation to examine the problems caused by the increasing number of abandoned vehicles and recommend legislation to expedite the removal of those vehicles.

Your Committees received testimony from the Mayor of the County of Hawaii, the State Department of Transportation, and several concerned individuals.

Your Committees find that all the counties have been experiencing increased problems in dealing with abandoned vehicles. In most instances, it is cumbersome and a costly process for the respective county agency to expedite the removal of these vehicles from the site of abandonment.

Your Committees have amended this resolution by requesting that this examination into the problems caused by abandoned vehicles be undertaken by the Legislative Reference Bureau.

As affirmed by the records of votes of the members of your Committees on Transportation and Intergovernmental Relations and International Affairs that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 288, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 288, H.D. 1.

Signed by all members of the Committees except Representatives Alcon, Hagino and Ward.

**SCRep. 1038      Transportation and Intergovernmental Relations and International Affairs on H.C.R. No. 296**

The purpose of this concurrent resolution is to request the Department of Transportation to examine the problems caused by the increasing number of abandoned vehicles and recommend legislation to expedite the removal of those vehicles.

Your Committees received testimony from the Mayor of the County of Hawaii, the State Department of Transportation, and several concerned individuals.

Your Committees find that all the counties have been experiencing increased problems in dealing with abandoned vehicles. In most instances, it is cumbersome and a costly process for the respective county agency to expedite the removal of these vehicles from the site of abandonment.

Your Committees have amended this concurrent resolution by requesting that this examination into the problems caused by abandoned vehicles be undertaken by the Legislative Reference Bureau.

As affirmed by the records of votes of the members of your Committees on Transportation and Intergovernmental Relations and International Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 296, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 296, H.D. 1.

Signed by all members of the Committees except Representatives Alcon, Hagino and Ward.

**SCRep. 1039      Transportation on H.R. No. 158**

The purpose of this resolution is to request the Department of Transportation to study and report on traffic problems on Mamalahoa Highway between Honalu and Captain Cook on the Big Island.

Your Committee received testimony from Hawaii Councilman James Arakaki and the Department of Transportation.

Your Committee finds that the single-laned highway between Honalu and Captain Cook is currently inundated with traffic congestion because of recently developed communities, and commuters from other areas of the island whose only practical means to their destination is through this highway. The plans to further expand the community in the Honalu and Captain Cook area will result in additional vehicle usage to the traffic congested highway.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 158, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hagino, Yonamine and Ward.

**SCRep. 1040      Transportation on H.C.R. No. 160**

The purpose of this concurrent resolution is to request the Department of Transportation to study and report on traffic problems on Mamalahoa Highway between Honalu and Captain Cook on the Big Island.

Your Committee received testimony from Hawaii Councilman James Arakaki and the Department of Transportation.

Your Committee finds that the single-laned highway between Honalu and Captain Cook is currently inundated with traffic congestion because of recently developed communities, and commuters from other areas of the island whose only

practical means to their destination is through this highway. The plans to further expand the community in the Hono and Captain Cook area will result in additional vehicle usage to the traffic congested highway.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 160 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hagino, Yonamine and Ward.

**SCRep. 1041                      Transportation on H.R. No. 185**

The purpose of this resolution is to seek gubernatorial approval to proclaim a specific week in October as "State of Hawaii Aviation Education Week."

Your Committee received testimony from the Department of Transportation.

Your Committee finds that currently there are foundations and organizations actively involved in the promotion of educational programs relating to aviation. Designating one week as the "State of Hawaii Aviation Education Week" will enhance and emphasize the importance of aviation to the State as well as recognizing the various organizations involved in providing aviation education programs.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 185 and recommends that it be referred to the Committee on Education.

Signed by all members of the Committee except Representatives Hagino, Yonamine and Ward.

**SCRep. 1042                      Transportation on H.C.R. No. 189**

The purpose of this concurrent resolution is to seek gubernatorial approval to proclaim a specific week in October as "State of Hawaii Aviation Education Week."

Your Committee received testimony from the Department of Transportation.

Your Committee finds that currently there are foundations and organizations actively involved in the promotion of educational programs relating to aviation. Designating one week as the "State of Hawaii Aviation Education Week" will enhance and emphasize the importance of aviation to the State as well as recognizing the various organizations involved in providing aviation education programs.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 189 and recommends that it be referred to the Committee on Education.

Signed by all members of the Committee except Representatives Hagino, Yonamine and Ward.

**SCRep. 1043                      Transportation on H.R. No. 234**

The purpose of this resolution is to request the Legislative Reference Bureau to conduct a study on the feasibility and impact of placing motor vehicle registration emblems (emblems) on the inside of the vehicle's rear window.

Your Committee received testimony from the Department of Transportation.

Your Committee finds that the emblems on the license plates have been subject to theft and vandalism because of its location, and consequently the cost of replacing the emblem must be assumed by the owner and taxpayers. Your Committee further finds that other states have already enacted legislation requiring the emblem to be placed on the inside of the motor vehicle's rear window.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 234 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Hagino, Yonamine and Ward.

**SCRep. 1044                      Transportation on H.C.R. No. 237**

The purpose of this resolution is to request the Legislative Reference Bureau to conduct a study on the feasibility and impact of placing motor vehicle registration emblems (emblems) on the inside of the vehicle's rear window.

Your Committee received testimony from the Department of Transportation.

Your Committee finds that the emblems on the license plates have been subject to theft and vandalism because of its location, and consequently the cost of replacing the emblem must be assumed by the owner and taxpayers. Your

Committee further finds that other states have already enacted legislation requiring the emblem to be placed on the inside of the motor vehicle's rear window.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 237 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Hagino, Yonamine and Ward.

**SCRep. 1045      Consumer Protection and Commerce on S.B. No. 120**

The purpose of this bill is to extend the statutory authority of the State to regulate Hawaii's massage therapists from December 31, 1993, to December 31, 1999. In addition, this bill clarifies Chapter 26H, Hawaii Revised Statutes (HRS), the Hawaii Regulatory Licensing Reform Act, by repealing an obsolete provision, and making other housekeeping amendments for the purposes of clarity and style.

Testimony was submitted by the Board of Massage Therapy and the State Auditor.

Your Committee finds that the practice of massage therapy involves the manipulation of the human body by rubbing, pressing, or kneading the soft tissues for therapeutic purposes. In addition, massage therapists are authorized to use mechanical or electrical apparatus and various topical lotions during the course of their duties.

In supporting this measure, the State Auditor testified that regulation of massage therapists has helped to reduce the potential for harm to consumers, diminish the association between massage therapy and prostitution, and establish explicit boundaries of the practice of massage.

In light of this, your Committee believes that the provisions of this bill will promote the competency and ethical standards of massage therapists as well as ensure the health, welfare, and safety of the consuming public.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 120, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Herkes, Hiraki, Hirono, Peters and Thielen.

**SCRep. 1046      Consumer Protection and Commerce on S.B. No. 126**

The purpose of this bill is to protect the health, safety, and welfare of the general public by expanding regulatory oversight of Hawaii's physical therapists. Specifically, this bill would:

- (1) Prolong State regulation of physical therapists by changing the repeal date applicable to Chapter 461J, the Physical Therapy Practice Act, from December 31, 1993 to December 31, 1999;
- (2) Prohibit physical therapists from utilizing invasive procedures, i.e., the breaking or puncturing of a person's good skin integrity; and
- (3) Change the composition of the Board of Physical Therapy (Board) by:
  - (A) Increasing the Board's membership from five to seven;
  - (B) Eliminating the requirements that one member demonstrate an interest in community health concerns prior to appointment, and that one member be either a licensed physician, surgeon, or dentist; and
  - (C) Requiring that the Board consist of five physical therapists and two consumers.

Testimony was submitted by the Board of Physical Therapy; the State Auditor; Hawaii Physical Therapy, Inc.; and the Hawaii Chapter of the American Physical Therapy Association.

Your Committee finds that physical therapists work in concert with physicians and other medical specialists on patients who suffer from conditions that are often very serious (such as heart attack, stroke, spinal cord injuries, etc.), and are authorized to use a variety of hands-on treatments that may be harmful to the patient if incorrectly utilized. Because of this, your Committee believes that the regulation of physical therapists under Chapter 461J should be extended to ensure the welfare and safety of the consuming public.

Furthermore, your Committee acknowledges that the composition of the Board lacks the balance necessary to safeguard the interests of the general citizenry. Currently, the board consists of three physical therapists, one consumer, and one physician, surgeon, or dentist. However, because Section 461J-4, HRS, requires that the consumer member be a "consumer who has [a] demonstrated interest in community health concerns prior to appointment", the former and current consumer member are athletic trainers--individuals trained in a profession closely allied to that of physical therapy. Also, it has come to your Committee's attention that all of the physical therapist members of the Board belong to the American Physical Therapy Association--an organization whose interests may conflict with the Board.

While your Committee recognizes that the Hawaii Chapter of the American Physical Therapy Association is the only professional organization for licensed physical therapists in the State, steps must be taken to make the Board more consumer oriented, and eliminate the perception of Board bias toward the physical therapy industry.

In addition, your Committee believes that the retention of the physician/surgeon/dentist member position on the Board would provide the Board with insight into consumer needs from the medical perspective. It is also noteworthy to mention that at least 24 other states include one or more physician/surgeon/dentist members on regulatory boards or committees for physical therapy.

In keeping with the aforementioned findings, your Committee has amended this bill as follows:

- (1) Reinstated the requirement that one member of the Board be either a physician, surgeon, or dentist, by specifying that that the Board established under subsection 416J-4(a) shall consist of seven members: four physical therapists, one licensed physician, surgeon, or dentist, and two consumers;
- (2) Eliminated subsection 416J-4(c), which requires the Governor to appoint members to vacant Board positions from a list of recommended candidates submitted by the Hawaii Chapter of the American Physical Therapy Association; and
- (3) Made technical, nonsubstantive revisions for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 126, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 126, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Herkes, Hiraki, Hirono, Peters and Thielen.

**SCRep. 1047      Finance on S.B. No. 1458**

The purpose of this bill is to require motor vehicle dealers to report all courtesy deliveries of motor vehicles purchased directly from out-of-state manufacturers or dealers for use in the State to the Director of Taxation.

The Department of Taxation testified in favor of this bill to enhance the assessment and collection of the use tax. The information required under this bill will be used to properly assess the four percent use tax on importers or purchasers of these vehicles.

Testimony in support of this bill was also submitted by the Hawaii Automobile Dealers' Association. The Tax Foundation of Hawaii submitted comments.

This bill is a companion measure to H.B. No. 1695 which was reported out earlier by your Committee.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1458, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 1048      Finance on S.B. No. 264**

The purpose of this bill is to appropriate or authorize the expenditure of general obligation bond funds for unspecified capital improvement projects for fiscal year 1993-1994.

Your Committee has amended this measure by:

- (1) Changing each of the listed appropriation sums to zero for the purposes of continued discussion; and
- (2) Making a technical, nonsubstantive amendment to correct a drafting error.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 264, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 264, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Tajiri.

**SCRep. 1049      Human Services and Judiciary on H.C.R. No. 314**

The purpose of this concurrent resolution is to request the Auditor to evaluate State and County compliance with sections 103-50 and 103-50.5, Hawaii Revised Statutes, which relate to designing buildings and facilities to accommodate persons with physical disabilities. The Auditor is also asked to make recommendations relating to the enforcement of the plan review and variance processes, and the enactment of laws and the establishment of procedures to ensure accessibility within state and county buildings.

Testimony from the Architectural Access Committee, the Commission on Persons with Disabilities, and the Hawaii Centers for Independent Living was received in support of this measure.

Your Committees find that although the Legislature has passed laws which require public facilities to be accessible to persons with disabilities, total compliance with review and variance processes has not been realized. Furthermore, neither the Commission on Persons with Disabilities nor the Architectural Access Committee has statutory authority to enforce such compliance, rendering the laws ineffectual.

Upon further consideration, your Committees have amended this concurrent resolution by:

- (1) requesting the Auditor to examine the viability of including section 103-50 compliance in County permit processes;
- (2) requesting the Auditor to examine the viability of including section 103-50 compliance in bid procedures and contract language;
- (3) requesting the Auditor to name an appropriate enforcement authority and identify its enforcement mechanism and its method of funding;
- (4) requesting the Auditor to look at compliance procedures within the other states as part of the evaluation; and
- (5) making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the records of votes of the members of your Committees on Human Services and Judiciary that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 314, as amended herein, and recommend that it be referred to the Committee on Legislative Management in the form attached hereto as H.C.R. No. 314, H.D. 1.

Signed by all members of the Committees except Representatives Bainum, Cachola, Duldulao, Hirono, Ihara, Menor and Peters.

**SCRep. 1050                      Transportation; Judiciary; and Intergovernmental Relations and International Affairs on H.R. No. 108**

The purpose of this resolution is to request the Department of Transportation to include a question relating to the safe and proper use of handheld cellular phones while operating a motor vehicle within the examination for the issuance and renewal of drivers' licenses.

Your Committees received testimony from the State Department of Transportation, Honolulu Cellular, and various concerned individuals.

Your Committees find that because of the increasing use of cellular phones while operating a motor vehicle, motorists should be aware of the manner of safely using cellular phones while driving. The use of handheld cellular phones while driving may pose a potential threat to the safety and welfare of the driver and passengers, as well as others on the road, by adversely affecting the perceptual responses of the driver and interfering with vehicle control.

Your Committees have amended this resolution by:

1. Changing the title to Relating to Highway Safety;
2. Directing the Department of Transportation to revise the driver's license examination to include several questions regarding the safe use of cellular phones;
3. Incorporating language requesting the County Police Departments to heighten their observation of inattentive drivers using cellular phones and issue citations pursuant to Section 291-12 of the Hawaii Revised Statutes;
4. Adding language stating that certified copies of this resolution be distributed to each County Police Department and Motor Vehicle Licensing Division;
5. Adding a provision to incorporate safe uses of cellular phones while operating a motor vehicle into the Study Guide Narrative for the issuance and renewal of drivers' licenses; and
6. Deleting "handheld" from all references to cellular telephones.

As affirmed by the records of votes of the members of your Committees on Transportation and Judiciary and Intergovernmental Relations and International Affairs that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 108, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 108, H.D. 1.

Signed by all members of the Committees except Representatives Alcon, Hagino, Herkes, Hirono, Peters, Takamine and Yonamine.

**SCRep. 1051                      Transportation; Judiciary; and Intergovernmental Relations and International Affairs**



The purpose of this concurrent resolution is to request the Department of Transportation to include a question relating to the safe and proper use of handheld cellular phones while operating a motor vehicle within the examination for the issuance and renewal of drivers' licenses.

Your Committees received testimony from the State Department of Transportation, Honolulu Cellular, and various concerned individuals.

Your Committees find that because of the increasing use of cellular phones while operating a motor vehicle, motorists should be aware of the manner of safely using cellular phones while driving. The use of handheld cellular phones while driving may pose a potential threat to the safety and welfare of the driver and passengers, as well as others on the road, by adversely affecting the perceptual responses of the driver and interfering with vehicle control.

Your Committees have amended this concurrent resolution by:

1. Changing the title to Relating to Highway Safety;
2. Directing the Department of Transportation to revise the driver's license examination to include several questions regarding the safe use of cellular phones;
3. Incorporating language requesting the County Police Departments to heighten their observation of inattentive drivers using cellular phones and issue citations pursuant to Section 291-12 of the Hawaii Revised Statutes;
4. Adding language stating that certified copies of this concurrent resolution be distributed to each County Police Department and Motor Vehicle Licensing Division;
5. Adding a provision to incorporate safe uses of cellular phones while operating a motor vehicle into the Study Guide Narrative for the issuance and renewal of drivers' licenses; and
6. Deleting "handheld" from all references to cellular telephones.

As affirmed by the records of votes of the members of your Committees on Transportation and Judiciary and Intergovernmental Relations and International Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 111, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 111, H.D. 1.

Signed by all members of the Committees except Representatives Alcon, Hagino, Herkes, Hirono, Menor, Peters, Takamine and Yonamine.

#### **SCRep. 1052                      Finance on S.B. No. 1729**

The purpose of this bill is to change the current forty percent tax on the wholesale price of cigarettes to an unspecified fixed-rate tax on each cigarette.

In addition, this bill:

- (1) Requires the new tax to apply to sales during periods after June 30, 1993, or after the last day of any month ninety days after a federal law is enacted allowing the State to impose a general excise tax on cigarettes sold in military installations in Hawaii, whichever is later; and
- (2) Appropriates an unspecified amount to the Department of Health.

The taxation of other tobacco products will remain at the current forty percent tax on the wholesale price of the articles.

The Department of Taxation (DOTAX) testified in support of this bill. DOTAX stated that the intent of this bill is to increase revenues from the taxation of cigarettes which comprise about ninety percent of the annual tobacco tax revenues. In addition, DoTax commented that the change in taxing methodology is to also allow for the taxation of cigarette sales to the military.

Testimony in support of the intent of this measure was also received from the Department of Health (DOH); the Governor's Office of Children and Youth; the Healthcare Association of Hawaii; the American Cancer Society, Hawaii Pacific Division, Inc.; the American Lung Association of Hawaii; the American Heart Association - Hawaii Affiliate; and the Hawaii Medical Association. Several testifiers mentioned that a side benefit of raising taxes was the reduction in the incidence of smoking, especially among minors. They noted that other jurisdictions that have raised taxes experienced a decline in smoking.

The Hawaii Smokers' Rights Group testified against this measure. The Tobacco Institute and the Tax Foundation of Hawaii also submitted comments.

The Tobacco Institute requested that the tax be set at 2.5 cents per cigarette. However, several testifiers, including DOTAX, DOH, and American Lung Association of Hawaii recommended a tax of 4.5 cents per cigarette, which is the same amount that was recommended by your Committee in H.B. No. 82, H. D. 1.

Accordingly, your Committee has amended this bill by:

- (1) Inserting 4.5 cents as the amount of the excise tax per cigarette sold;

- (2) Clarifying that the appropriation section takes effect on July 1, 1993; and
- (3) Making other technical, nonsubstantive amendments for purposes of style and clarity and to correct drafting errors.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1729, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1729, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.  
(Representative Alcon voted no.)

**SCRep. 1053            Finance on S.B. No. 262**

The purpose of this bill is to authorize the issuance of general obligation bonds in accordance with constitutional requirements, and to declare that the total amount of principal and interest estimated and calculated for all bonds issued and outstanding will not cause the State's debt limit to be exceeded at the time of issuance.

This bill is intended to meet the requirements of Article VII, Section 13, of the Constitution of the State of Hawaii, which specifies that the Legislature must include a declaration of findings that the debt limit will not be exceeded by legislatively authorized general obligation issuances.

Testimony on this bill was submitted by the Department of Budget and Finance.

For purposes of continued discussion, your Committee has amended this bill by changing its effective date to January 1, 2000. The amounts in the bill and the proper bill references have been left incomplete since the precise data or estimates have not yet been established. It is the intent of your Committee to insert the appropriate amounts and references when they become known. Other technical, nonsubstantive amendments have been made for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 262, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 262, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Tajiri.

**SCRep. 1054            Finance on S.B. No. 747**

The purpose of this bill is to provide a general excise tax exemption for amounts received by a labor organization for real property leased to a labor organization or to a trust fund established by a labor organization for membership service programs.

Testimony in support of this measure was submitted by the Hawaii State AFL-CIO, the ILWU Local 142, and the ILWU Memorial Association. The testimonies expressed support for a general excise tax exemption as a result of a 1988 U.S. Supreme Court case. In *Communications Workers vs. Beck*, 487 U.S. 735 (1988), the Supreme Court held that it is an unfair labor practice to require employees (over their objections) to pay union dues for other than strictly collective bargaining activities. Based on the Beck case, since union dues cannot be used for program activities of retirees or programs not strictly related to the collective bargaining process, a general excise tax exemption would promote the purposes, activities, and functions of organized labor and allow flexibility in the operation of labor organizations.

The Tax Foundation of Hawaii submitted testimony stating that the proposed measure could be justified because it would grant a tax preference to a select group of taxpayers. However, the Department of Taxation, also citing the *Beck* case, testified that it was not opposed to this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 747, 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. 1055            Finance on S.B. No. 1523**

The purpose of this bill is to allow the Comptroller, with the approval of the Director of Finance, the option of issuing checks in lieu of warrants to disburse moneys from the State Treasury.

Testimony in support of this measure was submitted by the Department of Budget and Finance. The Department explained that the conversion to checks is being proposed for economic and administrative reasons. In the past, because the banks had to present warrants to the State Treasury for redemption, the State gained an extra day of interest on the funds to cover the warrants. However, the State no longer enjoys this advantage because the banks now require the State to maintain compensating balances to cover the warrants. In addition, conversion to checks will transfer the administrative responsibility of stop payment actions to the bank.

This bill is a companion measure to H.B. No. 1627, H.D. 1, which was reported out earlier by your Committee.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1523 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 Tajiri.

**SCRep. 1056      Consumer Protection and Commerce and Judiciary on S.B. No. 195**

This bill provides a procedure for obtaining clarification of a vague or ambiguous claim submitted to the Medical Claim Conciliation Panel.

Testimony in support of the bill was submitted by the Department of Commerce and Consumer Affairs, Hawaii Medical Association, and the Hawaii Academy of Plaintiffs' Attorneys.

Your Committees find that when a tort claim submitted to the panel is not sufficiently clear or detailed, the parties defending against the claim have difficulty preparing their cases. This bill provides the necessary mechanism for obtaining clarification of the claim.

Your Committees have made technical, nonsubstantive amendments to the bill for purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 195, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 195, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Hiraki, Hirono, Menor, Oshiro, Peters and Takamine.

**SCRep. 1057      Consumer Protection and Commerce on S.B. No. 1629**

The purpose of this bill is to limit the activities of mutual benefit societies organized and operating solely as nonprofit medical indemnities or hospital service associations. The bill, as received:

1. Restricts the use of a society's management/operation funds to the maintenance of current services or the enhancement of members' medical benefits;
2. Prohibits a society from operating a medical or health services clinic, with the exception of medically underserved areas and clinics in existence prior to the Act's effective date;
3. Prohibits a society from engaging in the insurance business, except in the lines of medical and hospital benefits;
4. Requires a society to submit to the Insurance Commissioner an accounting that separates out costs of program expansion from those of current services maintenance and members' benefits enhancement;
5. Requires the Commissioner to include in her annual report a listing of all mutual benefit societies and a synopsis of her examinations; and
6. Mandates that the Commissioner give a society notice and a demand for corrective action upon finding that the organization has spent an unreasonable amount of its operating funds on program expansion, rather than program maintenance or benefits enhancement.

Testifying in support of the bill were the Hawaii State Association of Life Underwriters, Hawaii Medical Association, and the Hawaii Dental Association. The Department of Commerce and Consumer Affairs raised no objection to the bill. The Hawaii Federation of Physicians and Dentists, while generally supportive of the bill, opposed those provisions permitting exceptions to the prohibition on the operation of clinics by mutual benefit societies. The Hawaii Medical Service Association opposed the bill.

The Department of Health expressed concern that the restrictions imposed by the bill would render mutual benefit societies unable to respond to changes in membership and market demands for health services, and would have a negative impact on Hawaii's health care delivery system. Your Committee was also informed that the standard applicable to the notice requirement was too subjective, and that identification of medically underserved areas should be made pursuant to federal standards, rather than by the Director of the Department of Health. In view of these concerns, your Committee has amended the bill by:

1. Deleting the limitation restricting the use of the society's membership fees to maintenance of current services;
2. Removing the requirement that the Commissioner give notice to a society upon a finding that an unreasonable amount of the society's management and operating costs are attributable to expansion of operations rather than maintenance of current services or enhancement of medical benefits for members;

3. Providing that federal standards apply to the identification of medically underserved geographic areas; and
4. Making technical, nonsubstantive changes for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1629, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1629, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Cachola, Hiraki, Menor, Peters and Takamine.

**SCRep. 1058            Consumer Protection and Commerce on S.B. No. 1380**

The purpose of this bill is to limit a pawnbroker's customer's account to \$10,000. A pawn account is the total accumulation of the customer's unpaid pawn finance charges. Additionally, the bill makes a violation of the ceiling requirement a penalty under Section 445-136 of the Hawaii Revised Statutes.

The Honolulu Police Department testified that it did not oppose the \$10,000 ceiling as it did not deter any criminal investigation or prosecution.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1380, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Herkes, Hiraki, Hirono, Peters and Thielen.

**SCRep. 1059            Judiciary on S.B. No. 1181**

The purpose of this measure is to require state agencies to make voter registration forms available to persons who are at least eighteen years of age.

Testimony in support of this measure was submitted by the League of Women Voters of Hawaii and Common Cause Hawaii. The Office of the Lieutenant Governor and the Association of Clerks and Election Officers of Hawaii had no objection to this measure.

This measure would increase opportunities for citizen participation in government through voter registration. Your Committee, however, is inclined not to require state agencies to collect and transmit voter registration forms to the Chief Election Officer because it would appear more efficient for the voter registrant to be assigned this responsibility.

Accordingly, your Committee has deleted the provision requiring state agencies to collect and transmit voter registration forms to the Chief Election Officer, as well as the provision requiring the Chief Election Officer to implement this requirement pursuant to Chapter 91, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1181, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1181, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda, Cachola, Herkes and Peters.

**SCRep. 1060            Judiciary on S.B. No. 281**

The purpose of this bill is to allow children to accompany a parent or adult into the voting booth.

Because children are greatly influenced by example, the passage of this measure would promote good citizenship and facilitate positive role models by encouraging children to participate in the electoral process.

Testimony in support of this measure was submitted by the Office of the Lieutenant Governor, the Association of Clerks and Election Officers of Hawaii, the League of Women Voters of Hawaii, and Common Cause Hawaii.

Technical, nonsubstantive amendments were made for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 281, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 281, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda, Cachola, Herkes and Peters.

**SCRep. 1061            Judiciary on S.B. No. 690**

The purposes of this bill are to:

- (1) Delete the category of "known" natural parent from Section 584-9(b); and
- (2) Simplify the paternity establishment process in those cases where the parent is an unmarried minor.

This measure would clarify the ambiguity created by the use of the term "known" parent. The term "known" is not defined in Chapter 584, Hawaii Revised Statutes, and becomes confusing when used in a paternity action where the alleged father is not "known" until paternity is established.

In addition, this measure also seeks to simplify the establishment of paternity with regard to parents who are minors, by providing for a paternity action to be litigated upon notice to at least one of the minor's legal parents, or upon notice to the guardian who has physical custody of the minor. The elimination of the requirement that both legal parents of a minor parent be joined as parties in a paternity action will avoid great delay and injustice. The proposed amended provision is recommended to be read in conjunction with Section 584-15(f) of the Hawaii Revised Statutes which provides that the parents of the minor father or mother are responsible for the support of the minor's child until the minor father or mother reaches the age of majority, is otherwise emancipated, or is financially able to fully support the child.

Testimony in support of this measure was submitted by the Department of the Attorney General, the Department of the Corporation Counsel of the City and County of Honolulu, and the Office of the Corporation Counsel of the Counties of Hawaii and Kauai.

Technical, nonsubstantive amendments were made for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 690, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 690, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Herkes, Oshiro, Peters and Takamine.

#### **SCRep. 1062                      Judiciary on S.B. No. 33**

The purpose of this bill is to delete from the law on the status of convicted persons a provision giving effect to general law over specific statutes.

The provision which this bill proposes to delete is unnecessary if the intent was to override any conflicting language in other chapters. Section 1-9, Hawaii Revised Statutes, provides that there is an implied repeal of a conflicting section "when a new law contains provisions contrary to, or irreconcilable with, those of the former law."

However, if the intent of the provision was preemptive in purpose then its elimination would avoid confusion as to its application.

The general rules of statutory construction provide that a specific law is given effect over a general law on the same subject. The passage of this measure would assure that this customary rule is followed.

Testimony in support of this measure was submitted by the State Senator for the Fourth District.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 33 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Herkes, Hirono, Peters and Thielen.

#### **SCRep. 1063                      Finance on S.B. No. 417**

The purpose of this bill is to appropriate funds to the Department of Education for a liaison resource teacher for the Astronaut Ellison S. Onizuka Space Center.

Testimony in support of this measure was submitted by the Onizuka Memorial Committee. The Department of Education and the Department of Business, Economic Development, and Tourism submitted positive comments concerning the substance of this measure, but could not support the appropriation of funds for this purpose due to budgetary constraints and other higher departmental priorities for basic services.

Upon further consideration, your Committee has amended this bill by:

- (1) Replacing the specific appropriation amount of \$1 with a zero for purposes of continued discussion; and
- (2) Making technical, nonsubstantive changes for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 417, 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. 417, S.D. 1, H.D. 2.

Signed by all members of the Committees except Representatives Suzuki and Tajiri.

**SCRep. 1064 Finance on S.B. No. 1550**

The purpose of this bill is to appropriate funds for the Department of Business, Economic Development, and Tourism (DBEDT) to implement a special marketing plan to promote tourism on Kauai through a contract executed with the Hawaii Visitors Bureau.

Testimony in support of the measure was submitted by the County of Kauai noting that it may take the Kauai visitor industry several more years to recover from the devastation caused by Hurricane Iniki. The County of Kauai further stated that funding from the State is vital for the restoration of visitor confidence and the stimulation of tourism activity on the Garden Island. The DBEDT submitted comments and expressed reservations about designating funds for the 1994-1995 fiscal year for specific purposes at this time.

Your Committee would like to note that funding for this particular item was provided for both years of the fiscal biennium in its draft of the Executive Budget bill which has since crossed over to the Senate for its consideration. Therefore, this measure was amended to reflect this particular item as it appears in the House draft of the Executive Budget bill by:

- (1) Inserting the sum of \$2,000,000 to replace the nominal sum of \$1 in the appropriation section for fiscal year 1993-1994;
- (2) Appropriating an equal sum for fiscal year 1994-1995; and
- (3) Making technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1550, 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. 1550, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Tam and Marumoto.

**SCRep. 1065 Finance on S.B. No. 1422**

The purpose of this bill is to improve the administration of the Family Leave law. More specifically, this bill:

- (1) Extends the implementation date of those portions of the Family Leave law that apply to private sector employers from January 1, 1994, to July 1, 1994; and
- (2) Allows the Director of Labor and Industrial Relations to adopt rules to enforce and administer the Family Leave law for public sector employers.

In testifying in favor of this bill, the Department of Labor and Industrial Relations (DLIR) stated that delaying the implementation of the Family Leave law for the private sector will allow time to review and evaluate the impact of the recently enacted federal Family Leave Act on Hawaii's law. In addition, DLIR supported its rule-making authority in order to implement the law for public sector employers.

Additional testimony in support was submitted by the Chamber of Commerce of Hawaii and the Hawaii Government Employees Association.

Your Committee has amended this measure by making technical, nonsubstantive changes to correct drafting errors.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1422, 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. 1422, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Suzuki and Tajiri.

**SCRep. 1066 Finance on S.B. No. 336**

The purpose of this bill is to establish a pilot program to place six full-time athletic trainers in the public high schools by:

- (1) Appropriating funds, with a dollar-for-dollar matching requirement, to the Department of Education (DOE); and
- (2) Specifying that any person filling an athletic trainer position shall provide basic first aid training to coaches, assistant coaches, and other school personnel who may be involved in student athletics.

While strongly agreeing that the physical and emotional well-being of Hawaii's public school athletes must be assured prior to participation in co-curricular activities, the DOE testified that it did not support this measure. In its testimony, the DOE indicated that due to current fiscal constraints, it would not be able to meet the dollar-for-dollar matching requirement.

Upon further consideration, your Committee has amended this bill by:

- (1) Removing the dollar-for-dollar matching requirement; and
- (2) Increasing the number of full-time athletic trainer positions from six to ten.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 336, 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. 336, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Suzuki and Tajiri.

**SCRep. 1067 Ocean Recreation and Marine Resources on H.R. No. 352**

The purposes of this House resolution are to propose that Hawaii accept the invitation to join the Pacific Fisheries Legislative Task Force, and to resolve that two senators and two representatives be appointed to serve as members.

Your Committee on Ocean Recreation and Marine Resources finds that the Pacific Fisheries Task Force, made up of state legislators from Alaska, California, Idaho, Oregon, and Washington, was created to coordinate state legislation and to present a unified position on federal and international laws and regulations concerning fishing in the marine and freshwater environments. Your Committee further finds that the Task Force has been involved in areas of particular interest to Hawaii, including the federal ban on tributyltin, a toxic compound used in marine bottom paints; advocating safe oil transshipments; and opposing driftnet fishing.

This House resolution proposes to have two senators and two representatives appointed to the Pacific Fisheries Task Force to represent Hawaii's interests. These appointees will report to the State Legislature and to Hawaii's Congressional members concerning means for protecting and fostering the Pacific fishing industry.

Your Committee sensed full support for this House resolution since there was no opposing testimony.

Your Committee made a nonsubstantive amendment for the purpose of correctness in grammatical construction.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 352, as amended herein, and recommends that it be referred to the Committee on Legislative Management in the form attached hereto as H.R. No. 352, H.D. 1.

Signed by all members of the Committee except Representatives Amaral, Hirono and Tajiri.

**SCRep. 1068 Ocean Recreation and Marine Resources on H.C.R. No. 385**

The purposes of this House concurrent resolution are to propose that Hawaii accept the invitation to join the Pacific Fisheries Legislative Task Force, and to resolve that two senators and two representatives be appointed to serve as members.

Your Committee on Ocean Recreation and Marine Resources finds that the Pacific Fisheries Task Force, made up of state legislators from Alaska, California, Idaho, Oregon, and Washington, was created to coordinate state legislation and to present a unified position on federal and international laws and regulations concerning fishing in the marine and freshwater environments. Your Committee further finds that the Task Force has been involved in areas of particular interest to Hawaii, including the federal ban on tributyltin, a toxic compound used in marine bottom paints; advocating safe oil transshipments; and opposing driftnet fishing.

This House concurrent resolution proposes to have two senators and two representatives appointed to the Pacific Fisheries Task Force to represent Hawaii's interests. These appointees will report to the State Legislature and to Hawaii's Congressional members concerning means for protecting and fostering the Pacific fishing industry.

Your Committee sensed full support for this House concurrent resolution, since there was no opposing testimony.

Your Committee made a nonsubstantive amendment for the purpose of correctness in grammatical construction.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 385, 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. 385, H.D. 1.

Signed by all members of the Committee except Representatives Amaral, Hirono and Tajiri.

**SCRep. 1069 Health and Consumer Protection and Commerce on H.C.R. No. 5**

The purpose of this concurrent resolution is to request a study by the Legislative Auditor to determine the impacts of mandating coverage of PAP tests in health insurance.



Testimonies in support of this concurrent resolution were received from the Department of Health and HMSA.

It is noted by your Committees that PAP tests have been associated with a dramatic decline in the incidence of invasive cervical cancer. It was also noted that this is becoming an increased standard of care for women's health.

Further, your Committees recognize that through careful monitoring of PAP smear results, prompt treatment of abnormalities, and thorough follow-up of potentially life threatening conditions before they advance, lives can be saved.

After careful consideration, your Committees have amended this concurrent resolution by making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Health and Consumer Protection and Commerce that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 5, as amended herein, and recommend that it be referred to the Committee on Legislative Management in the form attached hereto as H.C.R. No. 5, H.D. 1.

Signed by all members of the Committees except Representatives Hiraki, Kawakami, Menor, Oshiro, Peters and Takamine.

**SCRep. 1070      Consumer Protection and Commerce on H.C.R. No. 97**

The purpose of this concurrent resolution is to fulfill the requirements of the Hawaii Regulatory Licensing Reform Act by requesting the Auditor to study the probable effects of establishing licensure requirements for crane operators.

Supportive testimony was submitted by the Department of Labor and Industrial Relations (DLIR) and the Hawaii Operating Engineers Industry Stabilization Fund.

In supporting this concurrent resolution, the representative from DLIR testified that over 900 crane accidents have occurred in the United States between January 1995 and December 1989, resulting in an average of 71 fatalities and 36 injuries each year. The representative added that a number of accidents in this State related to tower cranes--specifically a 1990 case in which a State highways worker was killed when a crane made contact with energized power lines, and a 1991 incident in which a construction company employee was killed when hit by a boom--have precipitated the need to examine the feasibility of establishing regulatory oversight on crane operators and equipment.

In light of this, your Committee believes that the provisions of this concurrent resolution will reaffirm the Legislature's commitment toward reducing the number of injuries and fatalities on Hawaii's construction worksites, as well as work to ensure the welfare and safety of the general public.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 97 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Hiraki, Menor, Peters, Takamine and Tom.

**SCRep. 1071      Consumer Protection and Commerce on H.R. No. 329**

The purpose of this resolution is to promote greater equity between insurers and consumers with regard to premium rates. Specifically, this resolution would request the Auditor to:

- (1) Conduct a study of the rate making procedures under Hawaii's Insurance Code (Article 14, Chapter 431, Hawaii Revised Statutes) for the purpose of ascertaining whether statutory or administrative changes are necessary to provide for more effective control over the setting of rates by insurers; and
- (2) Submit a report of the findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 1994.

In supporting this measure, the Hawaii Island Board of Realtors, Inc., testified that the tripling of premium rates, the wholesale cancellation of policies, and long delays in processing insurance policies have fostered strong feelings of mistrust of the insurance industry among the consuming public. The representative added that because of this, there is a need for greater accountability in the insurance industry to ensure the availability and affordability of insurance for the people of Hawaii.

In light of this, your Committee believes that the study requested in this resolution will assist the Legislature in making prudent decisions regarding Hawaii's insurance code, and thus, serve the interests of both insurers and the consuming public.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 329 and recommend it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Herkes, Hiraki, Hirono, Peters and Takamine.

**SCRep. 1072 Consumer Protection and Commerce on H.C.R. No. 354**

The purpose of this concurrent resolution is to promote greater equity between insurers and consumers with regard to premium rates. Specifically, this concurrent resolution would request the Auditor to:

- (1) Conduct a study of the rate making procedures under Hawaii's Insurance Code (Article 14, Chapter 431, Hawaii Revised Statutes) for the purpose of ascertaining whether statutory or administrative changes are necessary to provide for more effective control over the setting of rates by insurers; and
- (2) Submit a report of the findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 1994.

In supporting this measure, the Hawaii Island Board of Realtors, Inc., testified that the tripling of premium rates, the wholesale cancellation of policies, and long delays in processing insurance policies have fostered strong feelings of mistrust of the insurance industry among the consuming public. The representative added that because of this, there is a need for greater accountability in the insurance industry to ensure the availability and affordability of insurance for the people of Hawaii.

In light of this, your Committee believes that the study requested in this concurrent resolution will assist the Legislature in making prudent decisions regarding Hawaii's insurance code, and thus, serve the interests of both insurers and the consuming public.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 354 and recommend it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Herkes, Hiraki, Hirono, Peters and Takamine.

**SCRep. 1073 Consumer Protection and Commerce on H.C.R. No. 333**

The purpose of this concurrent resolution is to reaffirm the Legislature's commitment toward protecting the interests of consumers in the area of insurance. Specifically, this concurrent resolution would:

- (1) Request the Auditor to study the need for the establishment of an Office of the Public Insurance Counsel to represent the interests of insurance consumers in this State;
- (2) State that the foregoing study include, but not be limited to:
  - (A) An identification and analysis of existing statutes and rules relating to the rights of insurance consumers;
  - (B) An identification and analysis of consumer needs and the extent to which existing statutes and rules do not meet those needs; and
  - (C) An identification of alternatives to current statutes and rules that would meet those needs;
- (3) Urge the Insurance Commissioner and the Consumer Advocate to provide full cooperation to the Auditor in this study; and
- (4) Request the Auditor to report the findings and recommendations to the Legislature at least twenty days prior to the convening of the Regular Session of 1994.

Supportive testimony was submitted by the Hawaii State Chiropractic Association. Testimony in opposition to this measure was submitted by the Hawaii Independent Insurance Agents Association and the Hawaii Insurers Council.

Your Committee finds that due to the complexity of issues pertaining to insurance, the inequity of resources between insurers and consumers, and the consumer's lack of standing to intervene in insurance rate filing and ratemaking proceedings, the consuming public lacks adequate representation with regard to insurance matters. Although your Committee is undecided on the establishment of a public insurance counsel, as proposed in this concurrent resolution, your Committee agrees that the concept of a public insurance counsel holds much merit, and that additional information and analysis on this concept would greatly enhance the Legislature's ability to furnish an equitable solution to this problem.

While your Committee is in accord with the intent of this measure, your Committee notes that:

- (1) A number of states, in particular the State of Texas, have established governmental agencies similar to the agency proposed in this measure;
- (2) A general compilation of information pertaining to agencies in other states would greatly assist the Legislature in deciding whether to establish an Office of Insurance Counsel in the State of Hawaii; and
- (3) The inclusion of a general survey in the Auditor's study would necessitate an amendment to the title of this measure to ensure that the provisions will not exceed the scope of the concurrent resolution.

In light of this, your Committee has amended this concurrent resolution as follows:

- (1) Requested the Auditor to include in its study a general survey of governmental agencies in other states having similar responsibilities or areas of jurisdiction as that of the Office of Public Insurance Counsel proposed in this measure; and
- (2) Revised the title of this concurrent resolution to read:  
  
"HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO STUDY THE FEASIBILITY OF ESTABLISHING A STATE OFFICE OF PUBLIC INSURANCE COUNSEL TO REPRESENT THE INTERESTS OF HAWAII'S INSURANCE CONSUMERS"; and
- (3) Made technical, nonsubstantive revisions for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.C.R. No. 333, 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. 333, H.D. 1.

Signed by all members of the Committee except Representatives Hiraki, Menor, Peters and Takamine.

**SCRep. 1074 Consumer Protection and Commerce on H.C.R. No. 294**

The purpose of this House concurrent resolution is to request the Legislative Auditor to conduct a comprehensive review of Hawaii's homeowners' insurance industry to determine ways of lowering the costs of premiums for Hawaii's customers, and lessening the detrimental impact on the insurance industry, lending institutions, and Hawaii's economy.

More specifically, the concurrent resolution is to include the following:

- 1) An assessment of the impact of property damage claims attributed to Hurricane Iniki and the lack of reinsurance on current and future premiums for homeowners' insurance;
- 2) An analysis of the impact of the unavailability of homeowners' insurance on the issuance of mortgage loans;
- 3) Methods for reducing the costs of homeowners' insurance premiums;
- 4) An analysis of the impact of additional taxes, additional insurer assessment fees, the issuance of bonds, and increases in premium rates pursuant to the establishment of a statewide hurricane insurance pool on the insurance industry and consumers; and
- 5) Proposed legislation it deems necessary to remedy this situation.

Supportive testimony was submitted by the Hawaii Independent Insurance Agents Association.

Your Committee finds that the review sought by this concurrent resolution will help to offer possible solutions to the Legislature in making prudent decisions not only for the viability of the business community, but also, for the welfare of the consuming public.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 294 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Hiraki, Menor, Peters, Takamine and Tom.

**SCRep. 1075 Consumer Protection and Commerce on S.B. No. 638**

This bill, the intent of which is to facilitate the merger or consolidation of agricultural cooperative associations with other associations, repeals Section 421-21.5 of the Hawaii Revised Statutes, which applies the general corporation laws to cooperative associations.

Testimony in support of this bill was received from the Agricultural Cooperative Service of the United States Department of Agriculture and the Hawaii Farm Bureau Federation.

Your Committee finds that differences between a cooperative and a corporation warrant the application of different laws to each entity regarding merger and consolidation. Accordingly, this measure creates a new section which sets forth the procedures for adopting a plan of merger or consolidation by an agricultural association, providing notice to members, voting on the proposed merger or consolidation, and filing the articles of merger or consolidation with the Department of Commerce and Consumer Affairs. Additionally, this bill describes the legal effect of merger and consolidation, and sets forth the rights of the surviving association and its creditors.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 638, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hiraki, Menor, Peters, Takamine and Tom.

**SCRep. 1076                      Finance on S.B. No. 324**

The purpose of this bill is to allow the Governor or mayor of each county to establish a leave sharing program that will allow public employees to donate accumulated vacation leave credits to another employee, within its respective jurisdiction, who has a serious personal illness or injury and has exhausted all accumulated leave credits.

Testimony in support of this bill was submitted by the Department of Personnel Services, the Judiciary, and the Department of Personnel of the City and County of Honolulu. The Hawaii Government Employees Association testified in support of the intent and purpose of the bill but noted its concerns relating to collective bargaining issues and potential abuse of the program.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 324, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Suzuki and Tajiri.

**SCRep. 1077                      Finance on S.B. No. 552**

The purposes of this bill are to:

- (1) Require that plans for the construction of public buildings by, or on behalf of, the State or any county conform to the Americans with Disabilities Act Accessibility Guidelines; and
- (2) Increase the number of members on the Department of Health's Architectural Access Committee from three to five.

Testimony in support of this bill was submitted by the Commission on Persons with Disabilities and the Architectural Access Committee.

This bill is a companion measure to H.B. No. 1119, H.D. 2, which was reported out earlier by your Committee.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 552, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Suzuki and Tajiri.

**SCRep. 1078                      Finance on S.B. No. 866**

The purpose of this bill is to establish the following within the Department of Transportation (DOT):

- (1) A Bicycle/Pedestrian Program Coordinator position to, among other things, assist the Director of Transportation in the planning, funding, acquisition, design, construction, and improvement of bikeways in the State;
- (2) A Statewide Bicycle Transportation Advisory Committee to advise the Director of Transportation on the Coordinator's duties and to disseminate reports regarding bicycling and bikeways; and
- (3) A Statewide Bicycling Promotion Program to promote and encourage bicycling as a means of transportation and recreation.

In supporting this bill, the DOT submitted testimony stating that the Federal Intermodal Surface Transportation Efficiency Act of 1991, as amended, mandates each state to establish and fund a bicycle/pedestrian program coordinator position. This bill fulfills this federal mandate and recognizes the importance of bicycles as an alternative mode of transportation.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 866, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Marumoto.

**SCRep. 1079                      Finance on S.B. No. 535**

The purpose of this bill is to allow the County Director of Finance to require payment of any delinquent vehicle tax and penalty as a condition precedent for the registration, renewal, or transfer of ownership of a motor vehicle.

Testimony in support of this measure was submitted by the Department of Finance of the City and County of Honolulu and the Chair of the Maui County Council.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 535, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Marumoto.

**SCRep. 1080                      Finance on S.B. No. 189**

The purpose of this bill is to exempt employers from charges against an employer's reserve account for unemployment compensation paid to an employee whose separation from the job is a direct result from a natural disaster and who would have been entitled to disaster unemployment assistance under the Stafford Disaster Relief and Emergency Assistance Act.

Testimony in support of this bill was submitted by the Department of Labor and Industrial Relations. Noting that relief must be provided to those businesses who are affected by natural disasters, the Department testified that the noncharging will assist Kauai employers in their recovery effort from Hurricane Iniki. The Department further explained that because of the time-consuming effort in identifying claimants whose layoffs were caused by Hurricane Iniki, the non-charge assessments will be reflected in the 1994 tax rates.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 189, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Suzuki and Tajiri.

**SCRep. 1081                      Finance on S.B. No. 2**

The purpose of this bill is to specify that all census tracts within the County of Kauai are eligible for designation as enterprise zones.

Under current law, a county may apply to the State for the designation of an area within its jurisdiction as an enterprise zone if 25% or more of the population has incomes below 80% of the county family income median, or the unemployment rate is 1.5 times the state average. Thereafter, the Governor can designate up to six areas in each county as enterprise zones for a period of twenty years. By providing an exception for Kauai, this bill will assist in the rebuilding efforts on the Garden Island as a result of damage caused by Hurricane Iniki.

Testimony in support of the intent of this measure was submitted by the Department of Business, Economic Development, and Tourism. The Department of Taxation also submitted written comments and stated that it was not opposed to the enactment of the bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tam and Marumoto.

**SCRep. 1082                      Finance on S.B. No. 732**

The purposes of this bill are to require:

- (1) All newspaper publishers in Hawaii with a weekly circulation of at least 25,000 to use newsprint containing increasingly greater percentages of recycled materials; and
- (2) An environmental assessment for any action which may adversely affect areas designated as critical habitats under the Endangered Species Act of 1973.

Testimony in support of the recycling portion of this measure was submitted by the Department of Health, the Department of Business, Economic Development, and Tourism, and the Hawaii Chapter of the Sierra Club. The Hawaii Publishers Association submitted testimony expressing the commitment of the three daily papers to voluntarily pursue the goals of this proposal.

The Land Use Research Foundation of Hawaii submitted testimony against the section of the bill relating to environmental assessments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 732, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Suzuki and Tajiri.  
(Representative Ward voted no.)

**SCRep. 1083      Ocean Recreation and Marine Resources and Energy and Environmental Protection on H.R. No. 396**

The purpose of this House resolution is to request the formation of a Governor's task force to develop protocols which will deter alien organisms from being introduced into the State of Hawaii.

Your Committees on Ocean Recreation and Marine Resources and Energy and Environmental Protection find that ballast water and encrusted communities of organisms carried by trans-ocean vessels are primary sources of introduced marine organisms worldwide, including disease causing organisms, parasites, toxin producing organisms, and competitors and predators of native species. Your Committees further find that unintentionally introduced organisms pose a threat to commercial fisheries, aquaculture, human health, and public services, and that remedies for such occurrences are likely to impose large costs for taxpayers. Your Committees have become aware that presently the State of Hawaii has no suitable administrative mechanism to address this problem, and that State protocols to reduce the risk of accidental introductions of alien organisms from ballast water and hull fouling of ships, as recommended in this House resolution, are necessary.

The proposed Governor's task force is charged with identifying the ports of greatest risk, as well as the types of vessels posing the greatest danger of introductions; determining methods for notification of arrivals and inspection protocols for these types of vessels; determining preventative measures to minimize the risk of introductions; recommending specific studies of existing impacts of alien organisms in ports within the State; recommending monitoring programs to assess the effectiveness of these protocols and measures; and recommending additional appropriate measures that are found to be necessary.

Your Committees heard supportive testimonies from the Board of Agriculture, the Department of Transportation, the Hawaii Chapter of the American Fisheries Society, and the Department of Zoology, University of Hawaii.

The Board of Agriculture preferred to broaden House Bill No. 1335 and Senate Bill No. 1300, "Making an Appropriation to Develop an Alien Species Action Plan," to include alien species introductions by ballast water and hull contaminations in lieu of this House resolution.

The Department of Zoology cited examples of the detrimental effects of introductions of alien species on the Mainland, and expressed an interest in providing a volunteer for the proposed task force.

Your Committees have made technical, nonsubstantive amendments to this House resolution for purposes of style, clarity, and grammatical accuracy.

As affirmed by the records of votes of the members of your Committees on Ocean Recreation and Marine Resources and Energy and Environmental Protection that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 396, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 396, H.D. 1.

Signed by all members of the Committees except Representatives Tajiri and Takamine.

**SCRep. 1084      Ocean Recreation and Marine Resources and Energy and Environmental Protection on H.C.R. No. 444**

The purpose of this House concurrent resolution is to request the formation of a Governor's task force to develop protocols which will deter alien organisms from being introduced into the State of Hawaii.

Your Committees on Ocean Recreation and Marine Resources and Energy and Environmental Protection find that ballast water and encrusted communities of organisms carried by trans-ocean vessels are primary sources of introduced marine organisms worldwide, including disease causing organisms, parasites, toxin producing organisms, and competitors and predators of native species. Your Committees further find that unintentionally introduced organisms pose a threat to commercial fisheries, aquaculture, human health, and public services, and that remedies for such occurrences are likely to impose large costs for taxpayers. Your Committees have become aware that presently the State of Hawaii has no suitable administrative mechanism to address this problem, and that State protocols to reduce the risk of accidental introductions of alien organisms from ballast water and hull fouling of ships, as recommended in this House concurrent resolution, are necessary.

The proposed Governor's task force is charged with identifying the ports of greatest risk, as well as the types of vessels posing the greatest danger of introductions; determining methods for notification of arrivals and inspection protocols for these types of vessels; determining preventative measures to minimize the risk of introductions; recommending specific studies of existing impacts of alien organisms in ports within the State; recommending monitoring programs to assess the effectiveness of these protocols and measures; and recommending additional appropriate measures that are found to be necessary.

Your Committees heard supportive testimonies from the Board of Agriculture, the Department of Transportation, the Hawaii Chapter of the American Fisheries Society, and the Department of Zoology, University of Hawaii.

The Board of Agriculture preferred to broaden House Bill No. 1335 and Senate Bill No. 1300, "Making an Appropriation to Develop an Alien Species Action Plan," to include alien species introductions by ballast water and hull contaminations in lieu of this House concurrent resolution.

The Department of Zoology cited examples of the detrimental effects of introductions of alien species on the Mainland, and expressed an interest in providing a volunteer for the proposed task force.

Your Committees have made technical, nonsubstantive amendments to this House concurrent resolution for purposes of style, clarity, and grammatical accuracy.

As affirmed by the records of votes of the members of your Committees on Ocean Recreation and Marine Resources and Energy and Environmental Protection that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 444, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 444, H.D. 1.

Signed by all members of the Committees except Representatives Tajiri and Takamine.

**SCRep. 1085 Higher Education and the Arts and Health on H.R. No. 321**

The purpose of this resolution is to request a study from the University of Hawaii on the low number of people graduating from the University's School of Nursing.

Your Committees received testimony in support of this resolution from the Hawaii State Primary Care Association. Also testifying in support, with some suggested amendments, were the University of Hawaii, the Hawaii Nurses' Association, and the Kapiolani Medical Center for Women and Children.

Upon consideration, your Committees amended the resolution by:

- (1) Changing the title from "REQUESTING A STUDY ON THE FACTORS BEHIND THE LOW NUMBER OF PEOPLE GRADUATING FROM THE UNIVERSITY OF HAWAII'S NURSING PROGRAM," to "URGING THE UNIVERSITY OF HAWAII TO CONTINUE TO PLACE THE HIGHEST PRIORITY ON TRAINING NURSES AT THE SCHOOL OF NURSING, AND REQUESTING A STUDY ON INCREASING THE ENROLLMENT AND GRADUATION RATES, AND OTHER FACTORS," to better reflect the nature of the nursing shortage in Hawaii;
- (2) Including language to indicate that the low number of people graduating from the School of Nursing is attributable to limited enrollment because of budget constraints;
- (3) Adding the point that the University is requested to continue to place a high priority on nursing, and to fund the program to the fullest extent possible within its budget;
- (4) Redefining the requested study to focus on:
  - (A) A comparative drop-out rate;
  - (B) The need for additional funding;
  - (C) Underrepresentation of Hawaiian, Korean, Samoan, and Southeast Asian people in the nursing profession in Hawaii;
  - (D) Methods by which more qualified people can be admitted to nursing programs; and
  - (E) Methods to ensure availability of support for those enrolled in nursing programs on neighbor islands; and
- (5) Making other technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Health that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 321, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 321, H.D. 1.

Signed by all members of the Committees except Representatives M. Ige, Kawakami, Shon and Taniguchi.

**SCRep. 1086 Higher Education and the Arts and Health on H.C.R. No. 339**

The purpose of this concurrent resolution is to request a study from the University of Hawaii on the low number of people graduating from the University's School of Nursing.

Your Committees received testimony in support of this concurrent resolution from the Hawaii State Primary Care Association. Also testifying in support, with some suggested amendments, were the University of Hawaii, the Hawaii Nurses' Association, and the Kapiolani Medical Center for Women and Children.

Upon consideration, your Committees amended the concurrent resolution by:

- (1) Changing the title from "REQUESTING A STUDY ON THE FACTORS BEHIND THE LOW NUMBER OF PEOPLE GRADUATING FROM THE UNIVERSITY OF HAWAII'S NURSING PROGRAM," to "URGING THE UNIVERSITY OF HAWAII TO CONTINUE TO PLACE THE HIGHEST PRIORITY ON TRAINING NURSES AT THE SCHOOL OF NURSING, AND REQUESTING A STUDY ON INCREASING THE ENROLLMENT AND GRADUATION RATES, AND OTHER FACTORS," to better reflect the nature of the nursing shortage in Hawaii;



- (2) Including language to indicate that the low number of people graduating from the School of Nursing is attributable to limited enrollment because of budget constraints;
- (3) Adding the point that the University is requested to continue to place a high priority on nursing, and to fund the program to the fullest extent possible within its budget;
- (4) Redefining the requested study to focus on:
  - (A) A comparative drop-out rate;
  - (B) The need for additional funding;
  - (C) Underrepresentation of Hawaiian, Korean, Samoan, and Southeast Asian people in the nursing profession in Hawaii;
  - (D) Methods by which more qualified people can be admitted to nursing programs; and
  - (E) Methods to ensure availability of support for those enrolled in nursing programs on neighbor islands; and
- (5) Making other technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Health that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 339, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 339, H.D. 1.

Signed by all members of the Committees except Representatives M. Ige, Shon and Taniguchi.

**SCRep. 1087      Health; Consumer Protection and Commerce; and Legislative Management on H.C.R. No. 164**

The purpose of this concurrent resolution is to request the Legislative Auditor (Auditor) to conduct an assessment of the social and financial impacts of extending mandatory insurance coverage to services rendered for temporomandibular disorders.

Earlier this session, your Committee on Health heard S.B. No. 1547, Relating to Child Health Supervision. This bill clarifies the specific immunizations which must be covered by health insurance policies providing coverage for children. Supportive testimony was submitted from the Department of Health.

Subsequently, it was brought to the attention of your Committee on Health that S.B. No. 1547 may fall within the parameters of Section 23-51, Hawaii Revised Statutes, because clarification of covered immunizations may result in an extension of mandatory insurance coverage. Under Section 23-51, a financial and social impact assessment must be conducted by the Legislative Auditor prior to the consideration of any legislation requiring an expansion of mandatory insurance coverage.

In light of the foregoing events, your Committees, at the hearing on the instant concurrent resolution, received testimonies on a proposed draft which requests the Auditor to conduct a Section 23-51 financial and social impact assessment with regard to the proposals set forth in S.B. No. 1547. Testimony in strong support of the intent of this draft was submitted by the American Academy of Pediatrics--Hawaii Chapter.

The Department of Health also testified in support of the draft, but felt that a 1988 Auditor's Study of Proposed Mandatory Health Insurance for Well-Baby Services (1988 Auditor's Study) fulfilled the requirements of Section 23-51 with regard to S.B. No. 1547 immunization proposals. The Department, however, had not yet received a response from the Auditor on this issue.

The Hawaii Medical Services Association submitted comments on the draft.

Your Committees feel that it is not entirely clear whether the 1988 Auditor's Study renders the proposed draft unnecessary. At the same time, your Committees believe that the determination of specific immunization requirements for children, as proposed by S.B. No. 1547, is needed to promote the most effective use of vaccines and maintain the public health.

Based on all of the foregoing, your Committees have amended this concurrent resolution by replacing its contents with language from the aforementioned draft. As amended, this concurrent resolution now requests the Auditor to conduct an assessment of the social and financial effects of requiring all health insurance providers to provide immunization coverage in keeping with "prevailing medical standards", i.e., as recommended by the Advisory Committee of Immunization Practices of the United States Department of Health and Human Services, and the American Academy of Pediatrics. Additionally, your Committees have amended the title of this concurrent resolution to read as follows:

**"REQUESTING AN ASSESSMENT REGARDING MANDATORY INSURANCE COVERAGE FOR IMMUNICATIONS."**

As affirmed by the records of votes of the members of your Committees on Health and Consumer Protection and Commerce and Legislative Management that are attached to this report, your Committees concur with the intent and

purpose of H.C.R. No. 164, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 164, H.D. 1.

Signed by all members of the Committees except Representatives Baker, Hiraki, Hirono, Ihara, Kawakami, Menor, Oshiro, Pepper, Peters and Takamine.

**SCRep. 1088            Health and Human Services on H.R. No. 291**

The purpose of this resolution is to request a report from the Department of Health and the Department of Human Services on the financial ramifications of placing a cap on dental care and using Medicaid funds to place dental clinics in areas of need.

Testimonies in support of this resolution was received from the Department of Health, the Department of Human Services and the State Commission on Persons with Disabilities.

It was noted by your Committees that availability of some basic services and support programs for our neighbor islands is extremely inadequate. It was also noted that many consumers are angry, confused and frustrated about how the system works, specifically relating to dental care.

Furthermore, your Committees find that currently, individuals who are eligible to receive dental care under Medicaid, are flown to Oahu for emergency dental service. This is unacceptable and not very cost effective.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 291 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Ihara, Kawakami and Peters.

**SCRep. 1089            Health and Human Services on H.C.R. No. 301**

The purpose of this concurrent resolution is to request a report from the Department of Health and the Department of Human Services on the financial ramifications of placing a cap on dental care and using Medicaid funds to place dental clinics in areas of need.

Testimonies in support of this concurrent resolution was received from the Department of Health, the Department of Human Services and the State Commission on Persons with Disabilities.

It was noted by your Committees that availability of some basic services and support programs for our neighbor islands is extremely inadequate. It was also noted that many consumers are angry, confused and frustrated about how the system works, specifically relating to dental care.

Furthermore, your Committees find that currently, individuals who are eligible to receive dental care under Medicaid, are flown to Oahu for emergency dental service. This is unacceptable and not very cost effective.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 301 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Ihara, Kawakami and Peters.

**SCRep. 1090            Health and Human Services on H.R. No. 275**

The purpose of this resolution is to request the department of Health and the Department of Human Services to submit a progress report on the implementation of the Waimano Training School and Hospital Study recommendations. It further requests that the Department of Health, in cooperation with the State Developmental Disabilities Council, report on steps to revamp the State's financing system for community services.

Testimonies in strong support of this resolution have been received from the State Planning Council on Developmental Disabilities and the Commission on Persons with Disabilities.

The Department of Health and the Department of Human Services are opposed to this resolution because it is felt that they are already committed to maximizing federal matching funds and will continue efforts to obtain federal funds. It was also felt that the Waimano Training School and Hospital Study was not accurate and founded and that some of the recommendations made by the report are currently being implemented within the Department of Health.

It was noted by your Committees that since 1985, 11 studies had been completed on the Waimano Training School and Hospital and the State's developmental disabilities system. Further, it was noted that these studies have made consistent recommendations on how to provide quality services in the most economical way.

Your Committees took note, however, that implementation of the recommendations has been inconsistent and sporadic and has been compounded by radical changes in the way many other states view and fund services for persons with developmental disabilities.

Upon further consideration, your Committees have amended this resolution by making the Legislative Auditor along with the Department of Health, the Department of Human Services, HMSA, and the State Planning Council on Developmental Disabilities responsible for reporting back to the Legislature on the implementation of the recommendations contained in the above mentioned report, and to include why the recommendations, if any, were not acted upon.

Your Committees further amended this resolution by adding a recommendation that the Department of Health, in cooperation with the State Planning Council on Developmental Disabilities, submit information regarding community based care, what is presently being done with community based care and what are the future plans for community based care.

Other technical, nonsubstantive amendments were made for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 275, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 275, H.D. 1.

Signed by all members of the Committees except Representatives Ihara, Kawakami and Peters.

**SCRep. 1091            Health and Human Services on H.C.R. No. 277**

The purpose of this concurrent resolution is to request the department of Health and the Department of Human Services to submit a progress report on the implementation of the Waimano Training School and Hospital Study recommendations. It further requests that the Department of Health, in cooperation with the State Developmental Disabilities Council, report on steps to revamp the State's financing system for community services.

Testimonies in strong support of this concurrent resolution have been received from the State Planning Council on Developmental Disabilities and the Commission on Persons with Disabilities.

The Department of Health and the Department of Human Services are opposed to this resolution because it is felt that they are already committed to maximizing federal matching funds and will continue efforts to obtain federal funds. It was also felt that the Waimano Training School and Hospital Study was not accurate and founded and that some of the recommendations made by the report are currently being implemented within the Department of Health.

It was noted by your Committees that since 1985, 11 studies had been completed on the Waimano Training School and Hospital and the State's developmental disabilities system. Further, it was noted that these studies have made consistent recommendations on how to provide quality services in the most economical way.

Your Committees took note, however, that implementation of the recommendations has been inconsistent and sporadic and has been compounded by radical changes in the way many other states view and fund services for persons with developmental disabilities.

Upon further consideration, your Committees have amended this resolution by making the Legislative Auditor along with the Department of Health, the Department of Human Services, HMSA, and the State Planning Council on Developmental Disabilities responsible for reporting back to the Legislature on the implementation of the recommendations contained in the above mentioned report, to include why the recommendations, if any, were not acted upon.

Your Committees further amended this concurrent resolution by adding a recommendation that the Department of Health, in cooperation with the State Planning Council on Developmental Disabilities, submit information regarding community based care, what is presently being done with community based care and what are the future plans for community based care.

Other technical, nonsubstantive amendments were made for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 277, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 277, H.D. 1.

Signed by all members of the Committees except Representatives Ihara, Kawakami and Peters.

**SCRep. 1092            Labor and Public Employment on H.R. No. 323**

The purpose of this resolution is to request the Department of Budget and Finance to examine the feasibility of consolidating the management and operations of the Employees' Retirement System, the Hawaii Public Employees Health Fund, and the Deferred Compensation Plan.

Testimony in support of this resolution was submitted by the Department of Budget and Finance and the Hawaii Public Employees Health Fund.

Your Committee finds that the three plans have overlapping memberships among active and retired employees, maintain similar records on separate data bases, and process similar actions. Thus, it may be more efficient to consolidate recordkeeping and computer services for easier access by employees and retirees. Your Committee believes that this resolution would benefit the State and the active and retired employees.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.R. No. 323 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon and Taniguchi.

**SCRep. 1093      Labor and Public Employment on H.C.R. No. 347**

The purpose of this concurrent resolution is to request the Department of Budget and Finance to examine the feasibility of consolidating the management and operations of the Employees' Retirement System, the Hawaii Public Employees Health Fund, and the Deferred Compensation Plan.

Testimony in support of this concurrent resolution was submitted by the Department of Budget and Finance and the Hawaii Public Employees Health Fund.

Your Committee finds that the three plans have overlapping memberships among active and retired employees, maintain similar records on separate data bases, and process similar actions. Thus, it may be more efficient to consolidate recordkeeping and computer services for easier access by employees and retirees. Your Committee believes that this concurrent resolution would benefit the State and the active and retired employees.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.C.R. No. 347 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon and Taniguchi.

**SCRep. 1094      Labor and Public Employment on H.R. No. 119**

The purpose of this resolution is to request a study on the enforcement of the Chapter 104, Hawaii Revised Statutes (Hawaii's "Little Davis-Bacon Act") to ensure that bids for construction on public works projects were based on the skills of the contractors and not on the difference in wages paid.

Testimony in support of this resolution was submitted by the Department of Labor and Industrial Relations, the International Brotherhood of Electrical Workers (IBEW), and the Building Industry Labor Association. Testimony was also submitted by the Department of Housing and Community Development of the City and County of Honolulu.

Your Committee finds that to maintain labor standards for construction workers, a comprehensive study is needed to determine if Chapter 104, Hawaii Revised Statutes, is being properly monitored and enforced by the Department of Labor and Industrial Relations. Thus, your Committee has made the following amendments to the BE IT FURTHER RESOLVED clause which delineates the specific areas or issues to be examined:

- (1) Added a request for an analysis of whether the present classification system is being utilized correctly or being misused; and
- (2) Added a request for a determination of whether relevant information is made available to employees and their bargaining agents to ascertain if there are violations of the law.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.R. No. 119, as amended herein, and recommends that it be referred to the Committee on Legislative Management in the form attached hereto as H.R. No. 119, H.D. 1.

Signed by all members of the Committee except Representatives Alcon and Taniguchi.

**SCRep. 1095      Labor and Public Employment on H.C.R. No. 122**

The purpose of this concurrent resolution is to request a study on the enforcement of the Chapter 104, Hawaii Revised Statutes (Hawaii's "Little Davis-Bacon Act") to ensure that bids for construction on public works projects were based on the skills of the contractors and not on the difference in wages paid.

Testimony in support of this concurrent resolution was submitted by the Department of Labor and Industrial Relations, the International Brotherhood of Electrical Workers (IBEW), and the Building Industry Labor Association. Testimony was also submitted by the Department of Housing and Community Development of the City and County of Honolulu.

Your Committee finds that to maintain labor standards for construction workers, a comprehensive study is needed to determine if Chapter 104, Hawaii Revised Statutes, is being properly monitored and enforced by the Department of Labor and Industrial Relations. Thus, your Committee has made the following amendments to the BE IT FURTHER RESOLVED clause which delineates the specific areas or issues to be examined:

- (1) Added a request for an analysis of whether the present classification system is being utilized correctly or being misused; and

- (2) Added a request for a determination of whether relevant information is made available to employees and their bargaining agents to ascertain if there are violations of the law.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.C.R. No. 122, 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. 122, H.D. 1.

Signed by all members of the Committee except Representatives Alcon and Taniguchi.

**SCRep. 1096 Labor and Public Employment on H.R. No. 82**

The purpose of this resolution is to request the Legislative Auditor to review and report on the performance of the Hawaii Labor Relations Board regarding case processing.

Testimony in support of this resolution was submitted by the University of Hawaii Professional Assembly. Testimony against this resolution was submitted by the Department of Labor and Industrial Relations.

Your Committee is in agreement with the University of Hawaii Professional Assembly and finds that it is worthwhile to examine the case load, performance, and efficiency of the Hawaii Labor Relations Board, as the Board should remain responsive to the needs of the community.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.R. No. 82 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Alcon and Taniguchi.

**SCRep. 1097 Labor and Public Employment on H.C.R. No. 84**

The purpose of this concurrent resolution is to request the Legislative Auditor to review and report on the performance of the Hawaii Labor Relations Board regarding case processing.

Testimony in support of this concurrent resolution was submitted by the University of Hawaii Professional Assembly. Testimony against this concurrent resolution was submitted by the Department of Labor and Industrial Relations.

Your Committee is in agreement with the University of Hawaii Professional Assembly and finds that it is worthwhile to examine the case load, performance, and efficiency of the Hawaii Labor Relations Board, as the Board should remain responsive to the needs of the community.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.C.R. No. 84 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Alcon and Taniguchi.

**SCRep. 1098 Intergovernmental Relations and International Affairs on H.R. No. 81**

The purpose of this resolution is to urge President Clinton to appoint Asian-Americans to top cabinet and administration posts.

Supporting testimony was received from the Japanese-American Citizens League, Honolulu Chapter and the National Asian Pacific American Bar Association, Hawaii Chapter.

Upon careful consideration, your Committee has amended the resolution by:

- (1) Amending the above-mentioned title: "URGING PRESIDENT CLINTON TO APPOINT ASIAN-AMERICANS TO TOP CABINET AND ADMINISTRATION POSTS" to read as follows: "URGING PRESIDENT CLINTON TO APPOINT ASIAN, PACIFIC, AND NATIVE AMERICANS TO TOP AND MIDDLE-LEVEL ADMINISTRATION POSTS";
- (2) Substituting "Asian-American" with "Asian, Pacific, and Native American" throughout the resolution, as appropriate;
- (3) Requesting a written briefing from President Clinton as to actions taken by his administration to consider Asian, Pacific, and Native Americans for top and middle-level administration posts;
- (4) Removing the request for these appointments to be made within the President's first one hundred days, and specifying that these appointments should be made in a timely manner;
- (5) Including that Regina Montoya, Assistant to the President for Public Liason and Intergovernmental Affairs also receive a certified copy of this resolution; and

- (6) Making other technical, non-substantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.R. No. 81, as amended herein, and recommends that it be referred to the Committee on Judiciary in the form attached hereto as H.R. No. 81, H.D. 1.

Signed by all members of the Committee except Representatives Alcon, Hagino and Shon.

**SCRep. 1099 Intergovernmental Relations and International Affairs on H.C.R. No. 83**

The purpose of this concurrent resolution is to urge President Clinton to appoint Asian-Americans to top cabinet and administration posts.

Supporting testimony was received from the Japanese-American Citizens League, Honolulu Chapter and the national Asian Pacific American Bar Association, Hawaii Chapter.

Upon careful consideration, your Committee has amended the concurrent resolution by:

- (1) Amending the above-mentioned title: "URGING PRESIDENT CLINTON TO APPOINT ASIAN-AMERICANS TO TOP CABINET AND ADMINISTRATIVE POSTS" to read as follows: "URGING PRESIDENT CLINTON TO APPOINT ASIAN, PACIFIC, AND NATIVE AMERICANS TO TOP AND MIDDLE-LEVEL ADMINISTRATION POSTS";
- (2) Substituting "Asian-American" with "Asian, Pacific, and Native American" throughout the concurrent resolution, as appropriate;
- (3) Requesting a written briefing from President Clinton as to actions taken by his administration to consider Asian, Pacific, and Native Americans for administrative posts;
- (4) Removing the request for these appointments to be made within the President's first one hundred days, and specifying that these appointments should be made in a timely manner;
- (5) Including that Regina Montoya, Assistant to the President for Public Liason and Intergovernmental Affairs also receive a certified copy of this concurrent resolution; and
- (6) Making other technical, non-substantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 83, as amended herein, and recommends that it be referred to the Committee on Judiciary in the form attached hereto as H.C.R. No. 83, H.D. 1.

Signed by all members of the Committee except Representatives Alcon, Hagino and Shon.

**SCRep. 1100 Finance on S.B. No. 212**

The purpose of this bill is to allow interest income earned on court deposits to be credited to the State of Hawaii where court order or statute does not specify otherwise.

Testimony in support of the measure was submitted by the Judiciary.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 212 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Marumoto and Ward.

**SCRep. 1101 Finance on S.B. No. 1798**

The purpose of this bill is to allow public agencies, in accordance with rules adopted by those agencies, to charge for the cost of reproducing geographic information system digital data.

Testimony in support of this bill was submitted by the Office of State Planning and the Department of Land Utilization for the City and County of Honolulu. Both agencies noted the expenses associated with the development and maintenance of geographic information systems, and the need to collect fees to offset reproduction costs for this type of electronic geographic data.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1798, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Marumoto and Ward.

**SCRep. 1102            Finance on S.B. No. 1531**

The purpose of this bill is to require State and county agencies to give preference in awarding public works contracts to bidders who have filed and paid State employment, general excise, and income taxes.

More specifically, this measure grants preference to bidders who have paid State taxes for:

- (1)        At least two successive years if the contract is \$5,000,000 or less; and
- (2)        At least four successive years if the contract is more than \$5,000,000;

provided that the bid is not more than five per cent higher than the bid of a competing bidder who has not paid State taxes.

The Hawaii Construction Industry Association, the Construction Industry Legislative Organization, the Laborers' International Union of North America, Local 368, and the Hawaii Operating Engineers Industry Stabilization Fund testified in support of this bill.

Your Committee received testimony in opposition to the bill from the City and County of Honolulu's Department of Finance and Department of Corporation Counsel. The Department of Accounting and General Services submitted comments on the bill.

Upon further consideration, your Committee has amended this bill by:

- (1)        Changing the percentage by which a bid from a bidder paying State taxes may be higher than that from a bidder not paying State taxes from five to four percent; and
- (2)        Making a technical, nonsubstantive amendment to correct a drafting error.

This bill is a companion measure to H.B. No. 1296, H.D. 1, which was reported out earlier by your Committee.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1531, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1531, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Tajiri.  
(Representative Ward voted no.)

**SCRep. 1103            Finance on S.B. No. 530**

The purpose of this bill is to eliminate the notarization requirement to obtain a refund of motor vehicle taxes.

In addition, this bill requires:

- (1)        A statement in the certificate of title and registration indicating if the vehicle had been previously junked; and
- (2)        A physical inspection of the vehicle identification number as a condition precedent to registration.

Testimony in support of this measure was submitted by the City and County Department of Finance.

Your Committee has made technical, nonsubstantive amendments to the bill for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 530, 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. 530, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Marumoto.

**SCRep. 1104            Finance on S.B. No. 1770**

The purposes of this bill, among other things, are to:

- (1)        Add a housing advocacy component to the Housing Finance and Development Corporation's (HFDC) Housing Information System; and
- (2)        Establish that the buyback lien of the HFDC be superior to any other mortgage or lien, except any first mortgage created for the purpose of enabling the purchaser to obtain funds for the purchase of the unit and any other mortgages made with the approval and consent of the HFDC.

Testimony in support of the proposed Housing Advocacy and Information System was submitted by the Hawaii Association of Realtors. The HFDC supported the proposed buyback clarifications, but expressed reservations regarding



the addition of housing advocacy functions to its Housing Information System due to current budget and staffing constraints.

Your Committee has amended this bill by making technical, nonsubstantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1770, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1770, H.D. 2.

Signed by all members of the Committee except Representatives Suzuki and Tajiri.

**SCRep. 1105            Intergovernmental Relations and International Affairs on S.B. No. 3**

The purpose of this bill is to amend Chapter 223, Hawaii Revised Statutes, by clarifying State quality growth policy and assigning the formulation of the policy to the Office of State Planning.

Your Committee received testimony in support of this measure from the Director of the Office of State Planning.

Your Committee has amended this bill by changing the phrase "shall diversify economic development" to "shall consider diversification of economic development." Your Committee finds that the amendment will help clarify the proposed policy and will provide a broader policy context for quality growth policy development.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3, 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. 3, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Alcon, Hagino and Shon.

**SCRep. 1106            Consumer Protection and Commerce and Judiciary on S.B. No. 192**

Under Section 671-19, Hawaii Revised Statutes (HRS), the courts presently have exclusive authority to impose penalties upon those parties to an action before the Medical Claim Conciliation Panel (MCCP) who fail to cooperate with the MCCP. The purposes of this bill as received by your Committees are to:

- 1) Transfer from the courts to the MCCP, the authority to impose the costs of the MCCP hearing on a party to the action who has failed to cooperate with the MCCP;
- 2) Allow the adversely affected party to appeal the assessment to the circuit court; and
- 4) Require the circuit court to apply an "abuse of discretion" standard of review to affirm or remand the case, or reverse or modify the order where the substantial rights of the petitioner may have been prejudiced.

Testimony in support of this bill was received from the Department of Commerce and Consumer Affairs (DCCA) and the Legislative Committee of the Hawaii Medical Association. The Hawaii Academy of Plaintiffs' Attorneys made no objection to this bill.

Your Committees agree with the intent of the bill, which corrects a weakness in the design of the MCCP program that has enabled some parties to misuse the program to the detriment of other parties, the panel, and the taxpayer. Your Committees find that the DCCA and the MCCP have been unable to address the situation adequately under the version of Section 671-19 presently in effect. Your Committees have made technical, nonsubstantive revisions to the bill for the purposes of style and clarity.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 192, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 192, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Hiraki, Hirono, Menor, Oshiro, Peters and Takamine.

**SCRep. 1107            Consumer Protection and Commerce on S.B. No. 25**

The purpose of this bill is to:

- 1) Allow the health care provider to apply to the Medical Claim Conciliation Panel (MCCP) for expungement of all records of proceedings related to a complaint which has been dismissed;
- 2) Require the MCCP to expunge all records if the majority of the panel finds that the complaint is fraudulent or frivolous; and

- 3) Prohibit an insurer providing professional liability insurance from increasing rates on the basis of the filing of a medical tort claim that is determined to be fraudulent or frivolous by the M CCP.

Supportive testimony was received from the Hawaii Federation of Physicians and Dentists and the Hawaii Academy of Plaintiff's Attorneys. The Department of Commerce and Consumer Affairs had no opposition to the intent of the bill.

Your Committee finds that legislation is essential to ensure that an individual physician does not develop a negative profile on the basis of a claim that the M CCP has found to be fraudulent or frivolous.

In addition, it is appropriate not to allow increases in malpractice insurance premiums based upon such claims.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 25, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Herkes, Hiraki, Peters and Thielen.

**SCRep. 1108 Consumer Protection and Commerce on S.B. No. 1619**

The purpose of this bill is to study the feasibility of expanding the array of telecommunication services available to consumers in the State of Hawaii. Specifically, this bill would require the Public Utilities Commission (PUC) to:

- (1) Open dockets within thirty days of the enactment of this measure to review Hawaii's telecommunication infrastructure and the availability of tariffs for telecommunication services;
- (2) Act upon the foregoing dockets within sixty days of the enactment of this measure; and
- (3) Submit a progress report on the results of the aforementioned dockets to the Legislature at least twenty days prior to the convening of the Regular Session of 1994.

In addition, this measure would authorize the PUC to develop interim tariffs until a more comprehensive restructuring of rates is accomplished, and instruct the PUC to not encourage the issuance of tariffs on an individual case basis or "special assembly" tariffs, if the tariff would delay action upon the above-referenced dockets.

Testimony was submitted by the PUC, GTE Hawaiian Telephone Inc., and the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs (Consumer Advocate).

While your Committee agrees there is a need to examine the feasibility of expanding the array of telecommunication services to the consuming public, your Committee acknowledges that it may be difficult for the PUC to proceed on the dockets within a sixty-day time frame. According to testimony submitted by the Consumer Advocate, both the Consumer Advocate and the PUC will soon be involved in several rate cases and five integrated resources planning dockets in addition to their other responsibilities.

Further, your Committee notes that the language in Section 3 of this bill may restrict the PUC from fully examining the options available to Hawaii in the area of telecommunication services. Because Section 3 specifically requires the PUC to "act" upon dockets related to "integrated services digital networks, shared tenant services, switch megabit data services, and 64 kbps services," the PUC may be precluded from considering services that fall outside the foregoing scope.

Accordingly, your Committee has amended this bill as follows:

- (1) Provided the PUC with additional time to prepare the telecommunication infrastructure and tariff dockets by mandating the PUC to act upon the docket within one hundred twenty days after the enactment of this measure;
- (2) Furnished the PUC with greater latitude in preparing the dockets by clarifying that the scope of the dockets shall encompass the broader subject areas of "telecommunication infrastructure and tariffs" in place of the four specific services mentioned in Section 3; and
- (3) Made technical, nonsubstantive revisions for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1619, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1619, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hiraki, Menor, Peters, Takamine and Tom.

**SCRep. 1109 Consumer Protection and Commerce on S.B. No. 819**

The purpose of this bill is to amend laws relating to owner-occupant affidavits.

Your Committee finds that Act 50, Session Laws of Hawaii 1992, included provisions designed to enforce owner-occupancy requirements. Unfortunately, the provisions are having the unintentional effect of deterring development of

new condominium housing and making it difficult if not impossible for buying clients to obtain mortgages to buy such units.

Supporting testimony was submitted by The Real Estate Commission, The Mortgage Bankers Association of Hawaii, The Hawaii Developer's Council, the Housing Subcommittee of the Hawaii Association of Realtors, and the Real Estate Section of the Hawaii State Bar Association.

Though this bill amends Section 514A-104.5 and 514A-105, Hawaii Revised Statutes, to modify the provisions which are having a deterrent effect on the development and financing of more housing, your Committee believes that it does so without damaging the original intent of protecting opportunities for owner-occupants to buy condominiums at advantageous prices and preventing speculators from taking unfair advantage of those opportunities.

Your Committee has amended this bill by making technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 819, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 819, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Cachola, Hiraki, Menor, Peters and Takamine.

**SCRep. 1110      Consumer Protection and Commerce on S.B. No. 127**

The purposes of this bill are to:

- (1) Continue the regulation of the podiatry profession;
- (2) Add a podiatrist member to the Board of Medical Examiners ("Board"); and
- (3) Clarify examination requirements for podiatry licensure.

Testimony on the bill was received from the State Board of Medical Examiners, the State Auditor, the Hawaii Podiatric Medical Association, and individual podiatrists.

Your Committee is in favor of continuing the regulation of podiatrists and clarifying their licensure examination requirements, but does not favor expanding the Board to include a podiatrist member.

Your Committee was informed that issues related to podiatry come before the Board only on an intermittent basis. Further, the Board has established an ad hoc committee of podiatrists to provide input to the Board when these issues arise. As a mechanism already exists for providing the Board with the podiatrists' viewpoint and expertise, your Committee does not believe it is necessary to add a podiatrist to the Board, and accordingly, has amended the bill by deleting the provisions relating to the composition of the Board.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 127, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 127, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Herkes, Hiraki, Peters and Thielen.

**SCRep. 1111      Consumer Protection and Commerce on S.B. No. 993**

The purposes of this bill are to permit the sale of seafood products at public auction, and to permit their sale between the hours of 9:00 p.m. and 8:00 a.m.

The Department of Land and Natural Resources testified in support of this measure and advised your Committee that this bill would not impact upon private auctions as the auction provisions in Chapter 445 relate only to public auctions.

Technical, nonsubstantive amendments were made for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 993, 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. 993, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Hiraki, Menor, Peters, Takamine and Tom.

**SCRep. 1112      Agriculture and Water and Land Use Planning on H.R. No. 187**

The purpose of this resolution is to request the Department of Agriculture (DOE) to look into a land exchange of the land under the banana fields in Kaneohe, from the Luluku Road buffer or Ho'omaluhia Park to Minami golf course, for productive, state-owned agricultural use elsewhere on Oahu, or to consider condemning the land.

According to DOA testimony, the area in question, as described in the measure, once contained approximately 240 acres in banana cultivation. It is DOA's understanding that 11 of the 13 original Luluku banana growers have resumed cultivation on a 200-acre state-owned parcel in Maunawili Valley, which is managed by the Department of Land and Natural Resources. The Luluku parcels are now owned by the Minami Group (US) and are bisected by the H-3 Highway right-of-way.

Your Committees recognize the importance of putting state-owned agricultural lands to productive use, and promoting and preserving vital agricultural lands in the State.

Upon further consideration, your Committees have amended this resolution by:

- (1) Requesting DOA to look into acquiring the land in question as an agricultural park; and
- (2) Making technical, nonsubstantive amendments for clarity.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water and Land Use Planning that are attached to this report, your Committees are in accord with the intent and purpose of H.R. No. 187, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 187, H.D. 1.

Signed by all members of the Committees except Representatives Ishii-Morikami and Tam.

**SCRep. 1113      Agriculture and Water and Land Use Planning on H.C.R. No. 191**

The purpose of this concurrent resolution is to request the Department of Agriculture (DOE) to look into a land exchange of the land under the banana fields in Kaneohe, from the Luluku Road buffer or Ho'omaluhia Park to Minami golf course, for productive, state-owned agricultural use elsewhere on Oahu, or to consider condemning the land.

According to DOA testimony, the area in question, as described in the measure, once contained approximately 240 acres in banana cultivation. It is DOA's understanding that 11 of the 13 original Luluku banana growers have resumed cultivation on a 200-acre state-owned parcel in Maunawili Valley, which is managed by the Department of Land and Natural Resources. The Luluku parcels are now owned by the Minami Group (US) and are bisected by the H-3 Highway right-of-way.

Your Committees recognize the importance of putting state-owned agricultural lands to productive use, and promoting and preserving vital agricultural lands in the State.

Upon further consideration, your Committees have amended this concurrent resolution by:

- (1) Requesting DOA to look into acquiring the land in question as an agricultural park; and
- (2) Making technical, nonsubstantive amendments for clarity.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water and Land Use Planning that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 191, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 191, H.D. 1.

Signed by all members of the Committees except Representatives Ishii-Morikami and Tam.

**SCRep. 1114      Agriculture and Tourism on H.C.R. No. 363**

The purposes of this concurrent resolution are to:

- (1) Urge the visitor industry to support the consumption of locally-grown agricultural products; and
- (2) Request the President of the Hawaii Visitors Bureau (HVB) to arrange one or more meetings between the Chairperson of the Board of Agriculture (BOA) and visitor industry officials to:
  - (a) Urge support of locally-grown agricultural products; and
  - (b) Discuss methods by which local agricultural products can be further promoted.

In its discussion, your Committees noted the immense coordination that is needed among farmers and growers, traders, and retailers to ensure quality-fresh products to consumers. Your Committees recognize that better collaboration between Hawaii's agricultural and tourism industries to promote locally-grown agricultural and value-added products to both resident and tourist alike would generate invaluable benefits to the state economy.

To enhance coordination between the agricultural and tourism industries to promote the State's locally-grown and value-added products, your Committees request in the concurrent resolution that the President of HVB arrange one or more meetings among various pertinent parties from both industries. It is the intent of your Committees that these meetings focus on ways that farmers and other agricultural producers can meet the demands of the consumer market and gauge their ability to meet these consumer demands.

The Department of Agriculture (DOA) testified in support of the intent and purpose of the measure, and indicated that it has been increasing its promotional activities to visitors to the State. Some of DOA's recent promotional endeavors include working with HVB's Chapter on the Big Island on agricultural promotions to visitors; working with top culinary chefs on Hawaii regional cuisine; supporting the pineapple and papaya industries in the area of sampling promotions to visitors; and working with Hawaii food manufacturers to promote agricultural products. The Hawaii Farm Bureau Federation (HFBF) and the Hawaii Hotel Association (HHA) also testified in support of the concurrent resolution.

Your Committees also received written comments from the Department of Business, Economic Development, and Tourism (DBEDT). In its testimony, DBEDT stated that it is currently developing a statewide campaign that will promote existing and new food festivals throughout the year. Recently, DBEDT requested all of the HVB Chapters to focus on expanding or developing at least one agricultural festival for each island. Also, the HVB Big Island Chapter has developed a cross-promotion campaign involving DOA. In addition, a major component of DBEDT's "Aloha on Tour" initiative will be the development of cooperative efforts with DOA and HVB to promote tourism and Hawaii products through trade shows throughout the U.S. mainland, Asia, and Europe.

Upon further consideration, your Committees have amended this concurrent resolution by:

- (1) Urging the visitor industry to support the consumption of value-added products, in addition to locally-grown agricultural products;
- (2) Requesting the President of HVB to arrange one or more meetings with the Director of DBEDT, the President of HHA, and the Executive Director of HFBF, or their designees, in addition to the Chairperson of the BOA, the President of HVB, and visitor industry officials;
- (3) Specifying that the meetings be arranged for the purposes of:
  - (a) Discussing methods by which locally-grown agricultural and value-added products can be further promoted;
  - (b) Coordinating the marketing and promotion of locally-grown agricultural and value-added products; and
  - (c) Encouraging and urging the visitor industry to use and promote locally-grown agricultural and value-added products to travellers;
- (4) Requesting that the Director of DBEDT, the President of HHA, and the Executive Director of HFBF also receive certified copies of this concurrent resolution;
- (5) Changing the above-mentioned title: "HOUSE CONCURRENT RESOLUTION URGING THE CONTINUED SUPPORT OF LOCALLY-GROWN AGRICULTURAL PRODUCTS BY THE VISITOR INDUSTRY" to read as: "HOUSE CONCURRENT RESOLUTION URGING THE CONTINUED SUPPORT OF LOCALLY-GROWN AGRICULTURAL AND VALUE-ADDED PRODUCTS BY THE VISITOR INDUSTRY"; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Tourism that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 363, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 363, H.D. 1.

Signed by all members of the Committees except Representatives Ishii-Morikami and Tam.

#### **SCRep. 1115      Agriculture on H.C.R. No. 119**

The purpose of this concurrent resolution is to state the Legislature's support for the continuation of the Federal Marketing Order for the papaya industry, and to encourage papaya growers throughout the State to vote "yes" in the referendum to continue the Federal Marketing Order.

According to testimony by the Department of Agriculture (DOA), the Federal Marketing Order for the papaya industry has unified growers, packers, and processors in an organization that markets its fruit through promotions and maintains high quality standards. Through the Federal Marketing Order, the papaya industry has also financed research efforts for more effective quarantine treatments and disease control for its fruit.

The DOA and the Manager of the Papaya Administrative Committee testified in support of the concurrent resolution.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.C.R. No. 119 and recommends its adoption.

Signed by all members of the Committee except Representative Tam.

#### **SCRep. 1116      Higher Education and the Arts on H.R. No. 310**

The purpose of this resolution is ask the Board of Regents of the University of Hawaii to conduct a statewide assessment of the higher education needs of Neighbor Island students.

Your Committee received testimony in support of this resolution from the Mayor of the County of Kauai and the Mayor of the County of Maui. The University of Hawaii submitted testimony in support of the intent of the resolution, but believes it is already addressing this issue to the extent possible within its current budget.

Upon consideration, your Committee amended the resolution by:

- (1) Specifying that the Legislative Reference Bureau, instead of the University of Hawaii, will conduct the assessment;
- (2) Changing the title to reflect that the University will not be doing the assessment; and
- (3) Making other technical, nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 310, as amended herein, and recommends that it be referred to the Committee on Legislative Management in the form attached hereto as H.R. No. 310, H.D. 1.

Signed by all members of the Committee except Representatives Arakaki, Beirne, Duldulao, M. Ige, Shon and Taniguchi.

**SCRep. 1117 Higher Education and the Arts on H.C.R. No. 328**

The purpose of this concurrent resolution is ask the Board of Regents of the University of Hawaii to conduct a statewide assessment of the higher education needs of Neighbor Island students.

Your Committee received testimony in support of this concurrent resolution from the Mayor of the County of Kauai and the Mayor of the County of Maui. The University of Hawaii submitted testimony in support of the intent of the concurrent resolution, but believes it is already addressing this issue to the extent possible within its current budget.

Upon consideration, your Committee amended the concurrent resolution by:

- (1) Specifying that the Legislative Reference Bureau, instead of the University of Hawaii, will conduct the assessment;
- (2) Changing the title to reflect that the University will not be doing the assessment; and
- (3) Making other technical, nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 328, 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. 328, H.D. 1.

Signed by all members of the Committee except Representatives Arakaki, Beirne, Duldulao, M. Ige, Shon and Taniguchi.

**SCRep. 1118 Intergovernmental Relations and International Affairs on H.R. No. 227**

The purpose of this resolution is to request that the counties require information pertaining to the level of wind a building is designed to withstand based upon the hurricane categories on a building permit application.

Your Committee received testimony on this measure from the Vice President of Mouse Builders and a private citizen.

In light of the two devastating Hurricanes that have hit the State of Hawaii in the last decade and concerned that additional information may increase the cost of construction to the consumer, your Committee finds that updating the building codes of the various counties would be far more effective than requiring information regarding the level of hurricane a building is built to withstand on building permit application.

Based on the testimony provided, your Committee also finds that if homeowners do implement wind reinforcement measures as required by county building codes, insurance companies may give discounts to those homeowners, similar to existing discounts that homeowner received for installing smoke detectors.

Thus, your Committee has amended this resolution by:

- 1) Amending the title of the bill to correctly reflect the new intent of the resolution;
- 2) Deleting references to building permit applications;
- 3) Deleting the requirement that building departments maintain and store data in computer banks and provide such information to the Civil Defense Division;
- 4) Requesting that the counties update their building codes to make residences and other buildings more able to withstand high wind damage; and

- 5) Including that implementing wind reinforcement measure may give insurance companies incentive to give policyholders discounts similar to those given to homeowners who have installed smoke detectors.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.R. No. 227, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 227, H.D. 1.

Signed by all members of the Committee except Representatives Alcon, Hagino and Ward.

**SCRep. 1119 Hawaiian Affairs on H.R. No. 24**

The purpose of this resolution is to urge the U.S. President and the U.S. Congress to affirm, honor, and fulfill the federal trust obligations to the native Hawaiian people as provided under the Hawaiian Homes Commission Act.

Testimony in support of this resolution was presented by the Department of Hawaiian Home Lands; the Office of Hawaiian Affairs; the Office of State Planning; the Native Hawaiian Legal Corporation; the State Council of Hawaiian Homestead Associations; the Hawaiian Home Lands Action Network; One Alii Hawaiian Homestead Association; the Ahupuaa Maui Island; the Waimea Hawaiian Homesteaders' Association; and the Hawaii Chapter of the National Rainbow Coalition. Ka Lahui Hawaii, the Pro-Hawaiian Sovereignty Working Group, and Ka Pakaukau opposed this measure.

After reviewing the extensive testimony received, your Committee has amended this resolution by:

- (1) Clarifying the basis by which the United States continues to occupy some 320 acres of Hawaiian home lands in Kekaha, Kauai and Pohakuloa, Hawaii, and continues to claim ownership of 1,488 acres of Hawaiian home lands in Lualualei, Oahu for which no payment has ever been made (page two, 7th WHEREAS clause);
- (2) Inserting a new WHEREAS clause that documents the fact that the United States itself acknowledged its trust responsibility in 1979 (page three, following the 3rd WHEREAS clause);
- (3) Replacing the word "undertaken" with "intensified its efforts" in describing the manner in which the State has worked to correct the problems that have occurred in the administration of the Hawaiian home lands (page three, last WHEREAS clause);
- (4) Inserting two BE IT FURTHER RESOLVED clauses:
  - (a) Requesting that the United States formally recognize native Hawaiians as an indigenous native American people; and
  - (b) Requesting the Secretary of the Interior to rescind the January 19, 1993 opinion by the Solicitor of the Department of the Interior which denies any federal trust responsibility toward the Hawaiian Homes Commission Act, 1920, as amended; and
- (5) Correcting certain typographic, technical, and stylistic errors.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 24, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 24, H.D. 1.

Signed by all members of the Committee except Representative Ihara.

**SCRep. 1120 Hawaiian Affairs on H.C.R. No. 29**

The purpose of this concurrent resolution is to urge the U.S. President and the U.S. Congress to affirm, honor, and fulfill the federal trust obligations to the native Hawaiian people as provided under the Hawaiian Homes Commission Act.

Testimony in support of this concurrent resolution was presented by the Department of Hawaiian Home Lands; the Office of Hawaiian Affairs; the Office of State Planning; the Native Hawaiian Legal Corporation; the State Council of Hawaiian Homestead Associations; the Hawaiian Home Lands Action Network; One Alii Hawaiian Homestead Association; the Ahupuaa Maui Island; the Waimea Hawaiian Homesteaders' Association; and the Hawaii Chapter of the National Rainbow Coalition. Ka Lahui Hawaii, the Pro-Hawaiian Sovereignty Working Group, and Ka Pakaukau opposed this measure.

After reviewing the extensive testimony received, your Committee has amended this concurrent resolution by:

- (1) Clarifying the basis by which the United States continues to occupy some 320 acres of Hawaiian home lands in Kekaha, Kauai and Pohakuloa, Hawaii, and continues to claim ownership of 1,488 acres of Hawaiian home lands in Lualualei, Oahu for which no payment has ever been made (page two, 7th WHEREAS clause);



- (2) Inserting a new WHEREAS clause that documents the fact that the United States itself acknowledged its trust responsibility in 1979 (page three, following the 3rd WHEREAS clause);
- (3) Replacing the word "undertaken" with "intensified its efforts" in describing the manner in which the State has worked to correct the problems that have occurred in the administration of the Hawaiian home lands (page three, last WHEREAS clause);
- (4) Inserting two BE IT FURTHER RESOLVED clauses:
  - (a) Requesting that the United States formally recognize native Hawaiians as an indigenous native American people; and
  - (b) Requesting the Secretary of the Interior to rescind the January 19, 1993 opinion by the Solicitor of the Department of the Interior which denies any federal trust responsibility toward the Hawaiian Homes Commission Act, 1920, as amended; and
- (5) Correcting certain typographic, technical, and stylistic errors.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 29, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 29, H.D. 1.

Signed by all members of the Committee except Representative Ihara.

**SCRep. 1121      Agriculture and Water and Land Use Planning on S.B. No. 1473**

The purpose of this bill is to allow the Department of Agriculture (DOA) to plan, develop, and manage agricultural parks on additional classes of lands in partnership with a federal agency, a county, or a private party, with the approval of the Board of Agriculture. Currently, the DOA is statutorily limited to planning, developing, and managing agricultural parks on public lands that have been set aside by the Governor for use as agricultural parks pursuant to Section 171-11, Hawaii Revised Statutes.

Written comments on the measure were received from the DOA.

Your Committees have amended the bill by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water and Land Use Planning that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1473, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1473, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Ishii-Morikami, Tajiri, Tam and Thielen.

**SCRep. 1122      Public Safety and Corrections and Judiciary on S.B. No. 1453**

The purpose of this bill is to clarify the provisions of Chapter 353, Hawaii Revised Statutes (HRS), by adding the definition of "committed person", which includes a person committed to the custody of the Director of the Department of Public Safety for imprisonment pursuant to Chapter 706, HRS.

Testimony in support of the measure was submitted by the Department of Public Safety and the Office of the Public Defender.

In its testimony, the Department of Public Safety (Department) stated that this bill will give the Department the flexibility needed to manage inmates and to deal with prison overcrowding.

As affirmed by the records of votes of the members of your Committees on Public Safety and Corrections and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1453 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Cachola, Herkes, Oshiro, Peters and Takamine.

**SCRep. 1123      Public Safety and Corrections and S.B. No. 1393**

The purpose of this bill is to clarify that a grant of parole is not subject to acceptance by the prisoner being paroled.

The Hawaii Revised Statutes currently allows inmates to refuse parole and remain in prison. Although this may be difficult to believe, some inmates choose this option. Some do this because they like the comfort of having the State support them, and others do this because they do not want to be supervised by the Hawaii Paroling Authority. Whatever the reason, they take up valuable bedspace in the already crowded correctional facilities, and the State loses the opportunity to assist these prisoners in reintegrating them into the community.

Testimony in support of the measure was submitted by the Department of Public Safety and the Hawaii Paroling Authority.

After free and open discussion, your Committee has amended the bill by:

- (1) Deleting language that would require a prisoner to be released on parole on the date set by the Hawaii Paroling Authority; and
- (2) Making technical, nonsubstantive revisions for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety and Corrections that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1393, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1393, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Herkes and Tom.

**SCRep. 1124      Public Safety and Corrections on S.B. No. 1451**

The purpose of this bill is to require the Department of Public Safety (Department) to notify the county prosecutors and police chiefs of parole violators recommitted to prison for less than 30 days or who are placed on a work furlough, conditional release, or similar program. The measure also requires that the notification previously described, be transmitted in writing on the next working day after recommitment or placement in a program.

Under the current law, the Department is required to give the police chief and prosecutor of the appropriate county 30 days notice before the Department is permitted to place an inmate on a work furlough, conditional release, or similar program. However, there are instances in which technical parole violators qualify for work furlough and other structured programs in the community. In these cases, the Department cannot allow inmates to participate in these programs until the Department gives the required 30 days notice, even though the programs are often arranged at the request of the Hawaii Paroling Authority. This bill will allow the Department to place certain parole violators into work furlough and other programs in the community as soon as they are qualified.

Testimony in support of the measure was submitted by the Department of Public Safety, the Office of the Public Defender, and the Department of the Prosecuting Attorney of the City and County of Honolulu.

After free and open discussion, your Committee has amended the bill by:

- (1) Deleting the language "for less than 30 days or" in section 1 of the measure to allow parole violators recommitted to prison for 30 days or more to be placed into a structured program in the community as soon as they are qualified; and
- (2) Making technical, nonsubstantive revisions for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety and Corrections that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1451, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1451, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Herkes and Tom.

**SCRep. 1125      Public Safety and Corrections and S.B. No. 833**

The purpose of this bill is to require the Hawaii Paroling Authority to parole a prisoner in the county of original commitment or to a location outside the State, unless the prisoner can establish to the satisfaction of the Hawaii Paroling Authority that a permanent residence and occupation or employment in a county having a population greater than 500,000 has been established prior to the prisoner's release.

Testimony in support of the measure was submitted by the Department of Public Safety.

After free and open discussion, your Committee has amended the bill by deleting all underscored material and replacing it with language consistent with action previously taken on a companion measure which provides that a prisoner could be paroled in a county other than the county of original commitment if:

- (1) The prisoner can establish to the satisfaction of the Hawaii Paroling Authority that the prisoner had a permanent residence or occupation or employment in another county, prior to incarceration; or
- (2) The prisoner will reside in a county in which the population exceeds 800,000 persons; or
- (3) The prisoner will be released for immediate departure from the State.

In recommending these amendments, your Committee would like to make it clear that the adoption of these amendments does not constitute an intent to restrict or preclude the Hawaii Paroling Authority from requiring or imposing, as a condition of parole, the participation of the prisoner in a treatment or counseling program as part of the rehabilitation of

the prisoner in an appropriate county. Nor is it the intent of your Committee to restrict or preclude the Hawaii Paroling Authority from considering victim concerns when determining the parole of a prisoner to a particular county.

Your Committee has also made gender neutral amendments along with technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety and Corrections that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 833, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 833, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Herkes and Tom.

**SCRep. 1126                      Finance on S.B. No. 1454**

The purpose of this bill is to ensure continued conformity of Hawaii's income tax law with changes to the Internal Revenue Code (IRC).

Among other things, this bill:

- (1) Allows Hawaii residents who live and work outside the State to claim the income tax credit for expenses for household and dependent care services necessary for gainful employment;
- (2) Increases the maximum withholding rate on wages from eight to ten percent, which is the top tax rate for individuals to prevent under-withholding;
- (3) Increases the minimum tax liability for which estimated taxes need not be filed from \$100 to \$500;
- (4) Requires corporations, if tax liability is in excess of \$500, to pay the estimated taxes in four installments, and to prepay the lesser of 97 percent of the tax shown on the return for the taxable year or 100 percent of the corporation's tax for the preceding year;
- (5) Requires individual or noncorporate taxpayers who have to pay the estimated taxes to prepay the lesser of 90 percent of the tax shown on the taxpayer's return or 100 percent of the taxpayer's return for the preceding taxable year;
- (6) Allows the Director of Taxation to waive the penalty for estimated tax underpayment for reasons of casualty, disaster, or other unusual circumstances;
- (7) Provides that certain employer provided transportation benefits including transit passes and van pooling are excluded from an employee's gross income;
- (8) Specifies the exclusion of gross income of any subsidy paid by a public utility for the purchase of an energy conservation measure; and
- (9) Allows for a deduction from gross income for the cost of "clean-fuel" vehicles.

Testimony in support of this measure was submitted by the Department of Taxation (DOTAX) and the Chamber of Commerce of Hawaii. DOTAX explained that this bill adopts all of the changes to the IRC operative for State tax purposes, as amended by P.L. 102-244, P.L. 102-318 (the Unemployment Compensation Amendments of 1992), and P.L. 102-486 (1992 Energy Policy Act), as well as incorporating certain IRC provisions not previously adopted by the State. The Tax Foundation of Hawaii submitted comments.

Your Committee finds that continued conformity with the federal tax laws minimizes the taxpayer's burden in complying with Hawaii's tax laws.

This bill is a companion measure to H.B. No. 169, H.D. 1, which was reported out earlier by your Committee.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1454, 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. 1127                      Finance on S.B. No. 1726**

The purpose of this bill is to amend the provisions relating to the conveyance tax by, among other things:

- (1) Increasing the conveyance tax from five to ten cents per \$100 of the actual and full consideration paid on any transfer of realty or any interest therein;
- (2) Limiting the period for assessment, levy, collection, or credit of conveyance taxes to three years, except in cases of intentionally false or fraudulent filings; and

- (3) Providing that the conveyance tax shall not apply to certain documents or instruments for which there is no consideration or government exemption, and make corresponding changes to the filing of certificates.

Your Committee received testimony and written comments from the following agencies and organizations in support of a dedicated source of funding for the Natural Area Reserves System, and the Natural Area Partnership and Forest Stewardship programs:

- (1) The Department of Land and Natural Resources;
- (2) The Department of Taxation;
- (3) The Nature Conservancy of Hawaii; and
- (4) The Land Use Research Foundation (LURF) of Hawaii.

The Hawaii Association of Realtors, the Chamber of Commerce of Hawaii, and the Executive Director of LURF testified in opposition to any increase in the conveyance tax. The Rental Housing Trust Fund Interim Commission submitted comments and urged that a portion of the conveyance taxes collected be dedicated to the Rental Housing Trust Fund. Comments on the bill were also received from the Tax Foundation of Hawaii.

Upon careful consideration, your Committee has amended this measure to conform to H.B. No. 1906, H.D. 1, which was reported out earlier by your Committee. Your Committee has added language to provide that:

- (1) Twenty-five percent of the conveyance taxes collected each fiscal year shall be paid into the Rental Housing Trust Fund; and
- (2) Another twenty-five percent of the conveyance taxes collected each fiscal year shall be paid into the Natural Area Reserve Fund, which shall be annually disbursed to the management of the Natural Area Reserves System and the Natural Area Partnership and Forest Stewardship Programs after joint consultation with the Forest Stewardship Committee and the Natural Area Reserves System Commission.

Technical, nonsubstantive amendments have also been made for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1726, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1726, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.  
(Representative Tam voted no.)

#### **SCRep. 1128 Finance on S.B. No. 1448**

The purpose of this bill is to allow the Criminal Injuries Compensation Commission (Commission) to assign cases to the Commission's Administrator for review and disposition if:

- (1) The case can be adjudicated appropriately with available records and documents; and
- (2) The applicant has waived a hearing before the Commission.

If an applicant is dissatisfied with the Administrator's decision, the applicant may appeal the decision to the Commission for review. The bill also requires the deposit of funds received from collateral sources into the Criminal Injuries Compensation Fund.

Testimony in support of the measure was submitted by the Chair, the Commissioners, and the Administrator of the Commission; the Hawaii County's Office of the Prosecuting Attorney, Victim/Witness Assistance Program; and the Maui County's Department of the Prosecuting Attorney, Victim/Witness Assistance Division. The Kauai County's Office of the Prosecuting Attorney, Victim/Witness Program, and the Honolulu Police Department submitted comments in general support of the intent of the measure.

The Prosecuting Attorney for the City and County of Honolulu, in comments supporting the passage of this measure, noted that the provisions of the bill would significantly streamline the process of receiving compensation for many applicants, alleviating concerns about the lengthy time frame involved in the compensation application process.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1448, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Marumoto and Ward.

#### **SCRep. 1129 Finance on S.B. No. 1582**

The purpose of this bill is to appropriate funds for salary adjustments made by the Educational Officer Classification and Compensation Appeals Board to the Educational Officer Classification/Compensation Plan.

Testimony in support of this bill was submitted by the Department of Education and the Hawaii Government Employees Association.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1582, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Nekoba.

**SCRep. 1130            Finance on S.B. No. 1669**

The purpose of this bill is to amend certain qualifications for unemployment benefits.

More specifically, this bill:

- (1) Extends unemployment benefits to long-term unemployed individuals by:
  - (a) Using two new wage-based tests to qualify individuals for extended benefits; and
  - (b) Suspending certain eligibility requirements pursuant to the federally enacted Unemployment Compensation Amendments of 1992; and
- (2) Provides that training under the Job Training Partnership Act (JTPA), except on-the-job training, may be considered as state-approved training to enable a claimant receiving JTPA training to qualify for unemployment benefits.

The Department of Labor and Industrial Relations submitted testimony in support of this measure.

This bill is a companion measure to H.B. No. 1737, H.D. 2, which was reported out earlier by your Committee.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1669, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Suzuki and Tajiri.

**SCRep. 1131            Finance on S.B. No. 1711**

The purpose of this bill is to improve the administration of the Hawaii Public Broadcasting Authority (HPBA) by expanding its funding base and reducing the term of the HPBA Board members from 6 to 4 years.

More specifically, this bill:

- (1) Allows moneys from the use of public broadcasting facilities, and from private sources to be deposited into the Public Broadcasting Revolving Fund (Fund);
- (2) Clarifies that all revenues deposited into the Fund be expended for HPBA and its activities and programs; and
- (3) Requires the HPBA Board to prepare and submit an annual report to the Legislature identifying the amount and source of all revenues deposited into the revolving fund.

Testimony in support of this bill was submitted by the Hawaii Public Broadcasting Authority.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1711, S.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Marumoto and Ward.

**SCRep. 1132            Finance on S.B. No. 208**

The purposes of this bill are to:

- (1) Increase garnishee fees from \$3 in circuit courts and \$1 in district courts to \$10 in both; and
- (2) Repeal the \$1 fee for each copy of summons and each service of summons as part of the costs of the garnishment proceeding.

Testimony in support of this measure was submitted by the Judiciary and Gomes School Bus Service, Ltd. The owner of a private collection agency presented verbal testimony opposing the bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 208, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Marumoto and Ward.

**SCRep. 1133                      Finance on S.B. No. 1706**

The purpose of this bill is to allow the Executive Director of the Hawaii Public Broadcasting Authority to appoint a chief engineer and an assistant chief engineer, exempt from civil service laws, but eligible for membership in the State Employees' Retirement System and for other benefits generally applicable to officers and employees of the State.

Testimony in support of this bill was submitted by the Hawaii Public Broadcasting Authority (HPBA). HPBA explained that in order to attract and retain qualified individuals in this demanding technological field, it would need the flexibility to negotiate the pay levels. In addition, HPBA assured your Committee that pay increases will be absorbed within the HPBA's budget allocation.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1706, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Marumoto and Ward.

**SCRep. 1134                      Finance on S.B. No. 1426**

The purpose of this bill is to transfer from the Director of Commerce and Consumer Affairs to the Director of Labor and Industrial Relations the ability to:

- (1) Determine the amount of the Workers' Compensation Special Compensation Fund assessment; and
- (2) Receive funds directly from self-insured employers.

Testifying in support of this measure, the Department of Labor and Industrial Relations explained that this transfer will expedite the assessment and collection process.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1426, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Suzuki and Tajiri.

**SCRep. 1135                      Finance on S.B. No. 448**

The purpose of this bill is to make an appropriation for the Department of Public Safety's component of the "No Hope in Dope" Program.

Substance abuse is a problem that transcends age, class, and ethnicity. Unfortunately, victims of substance abuse are not only limited to abusers themselves, but also includes those who are most susceptible or vulnerable to the influence of abusers--children. Hawaii's youth are too often exposed to drug and alcohol use in the schools and at home.

The Honolulu Police Department's "No Hope in Dope" Program has been successful in sending a strong message to school-age children on the detrimental effects of substance abuse, while also providing them with positive alternatives. The program's collaborative style has brought together students, teachers, parents, and communities in the effort to defeat the ill-effects of substance abuse.

The Honolulu Police Department, the Department of Public Safety, students, teachers, and concerned citizens testified in support of this bill.

Upon further consideration, your Committee has amended this bill as follows:

- (1) Deleting the \$195,000 appropriation for fiscal year 1993-1994 and inserting the sum of \$1 to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 448, 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. 448, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Marumoto and Ward.

**SCRep. 1136 Finance on S.B. No. 363**

The purpose of this bill is to make an appropriation for the Honolulu Police Department's component of the "No Hope in Dope" Program.

Substance abuse is a problem that transcends age, class, and ethnicity. Unfortunately, victims of substance abuse are not only limited to abusers themselves, but also includes those who are most susceptible or vulnerable to the influence of abusers--children. Hawaii's youth are too often exposed to drug and alcohol use in the schools and at home.

The Honolulu Police Department's "No Hope in Dope" Program has been successful in sending a strong message to school-age children on the detrimental effects of substance abuse, while also providing them with positive alternatives. The Program's collaborative style has brought together students, teachers, parents, and communities in the effort to defeat the ill-effects of substance abuse.

The Honolulu Police Department, the Department of Public Safety, the Kalihi Branch of the Young Men's Christian Association of Honolulu, students, teachers, and concerned citizens submitted testimony in support of this bill.

Upon further consideration, your Committee has amended this bill by:

- (1) Deleting the \$160,000 appropriation for fiscal year 1993-1994 and inserting the sum of \$1 to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 363, 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. 363, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Marumoto and Ward.

**SCRep. 1137 Finance on S.B. No. 1143**

The purpose of this bill is to change the dollar amounts to unspecified amounts at which formal and informal advertising are required for the expenditure of public moneys.

Your Committee received written comments and proposed amendments to the bill from the Department of Accounting and General Services (DAGS). In its testimony, DAGS stated its support to raise the bid levels of the public procurement process.

The Department of Finance of the City and County of Honolulu (City) also testified in favor of this measure. Noting that the public bidding process has been hampered by the current low dollar thresholds, the City explained that this bill is necessary to expedite the bidding process. Your Committee also received supporting testimony from the Construction Industry Legislative Organization.

Upon further consideration, your Committee has amended the bill to incorporate the amendments proposed by DAGS to:

- (1) Raise the minimum threshold for advertised sealed bids from \$8,000 to \$15,000;
- (2) Increase the range required for advertised informal bids from between \$4,000 and \$8,000 to \$10,000 and \$15,000;
- (3) Increase the range required for advertised informal bids for public works or repairs of buildings, roads, and other site improvements from between \$4,000 and \$15,000 to \$10,000 and \$25,000;
- (4) Allow emergency repairs and maintenance of buildings and its appurtenances including essential utilities and services, sewage facilities, and emergency roadway work that is more than \$10,000 but less than \$25,000, without formal or informal advertisement;
- (5) Specify the exceptions to the public bidding process for:
  - (a) The repair and maintenance of roadways, waterworks, and buildings and its appurtenances including essential utilities and services and sewage facilities;
  - (b) The alterations of buildings that do not exceed \$25,000;
  - (c) New roads, waterworks, and buildings that do not exceed \$25,000;
  - (d) Work that cannot be specified beforehand with reasonable certainty; and
  - (e) When no tender is received in response to an advertisement; and
- (6) Make technical, nonsubstantive amendments for purposes of style and clarity.



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1143, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1143, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Tajiri.

**SCRep. 1138      Transportation on S.B. No. 536**

The purpose of this bill is to amend the definition of a total loss insurance salvage rebuilt vehicle.

Your Committee received testimony from the Department of Transportation and the City and County of Honolulu's Department of Finance.

Your Committee finds that automobiles with damage to only the engine or transmission have been labeled as a total loss if the cost of repair to the automobile exceeds the value of the vehicle. Unlike the repair of a vehicle which sustained structural damage and requires specialized equipment and expertise to repair, the entire engine or transmission may be replaced without affecting the structural integrity of the vehicle.

Your Committee has amended this bill by deleting material damage to the suspension system from the criteria to determine whether a vehicle is a rebuilt vehicle. Your Committee has also incorporated various technical, nonsubstantive modifications into this bill.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 536, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 536, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hagino, Yonamine and Ward.

**SCRep. 1139      Consumer Protection and Commerce and Judiciary on S.B. No. 1128**

The purpose of this bill is to amend the out-of-state drug prescription law by requiring that the out-of-state practitioner's Drug Enforcement Agency (DEA) registration number be required only for original prescription fills and that the prescription be appropriately identified as "Out-of-State Filled" or "Out-of-State Refilled."

Supportive testimony was submitted by the Department of Health and the Hawaii Pharmaceutical Association.

Your Committees find that the intent of requiring a DEA registration number is to prevent any fictitious prescriptions from being transmitted via telecommunications. Requiring DEA numbers on every refill prescription is unnecessary as it is only needed once to validate the prescription.

In addition, having the prescription appropriately identified as "Out-of-State Filled" or "Out-of-State Refilled" assists those in enforcing the law to identify prescriptions originating from another state.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1128, S.D. 1, and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Herkes and Peters.

**SCRep. 1140      Judiciary on S.B. No. 35**

The purpose of this bill is to repeal Part II, Chapter 85, Hawaii Revised Statutes requiring loyalty oaths.

Testimony was submitted by the Department of the Attorney General (Department) and a private citizen. The Department expressed concerns about the measure but these concerns were allayed upon clarification that the repeal of this part will not affect the public officers that must take the oath of office requirement.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 35 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda, Hirono, Peters and Takamine.  
(Representative Thielen voted no.)

**SCRep. 1141      Judiciary on S.B. No. 1214**

The purpose of this bill is to amend the Hawaii Revised Statutes (HRS) by substituting an updated version of the Uniform Simultaneous Death Act and repealing the version found in Chapter 534, HRS.

Hawaii's Commission to Promote Uniform Legislation testified in support of this measure.

Your Committee finds that this bill is the most recent version of the Uniform Simultaneous Death Act. This version extends to situations where there may be sufficient evidence to show that one of the individuals survived the other, but the period of survival was not substantial. In essence, if it cannot be proven that one individual survived another by one hundred twenty hours, then the former individual is deemed to have predeceased the latter. Additionally, this bill specifies that proof of survival by one hundred twenty hours must be made by clear and convincing evidence.

Your Committee has amended the bill by making technical, nonsubstantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1214, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1214, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bainum, Bunda, Oshiro, Peters and Takamine.

**SCRep. 1142      Judiciary on S.B. No. 812**

The purpose of the bill, as received by your Committee, was to allow victims the opportunity to present a victim impact statement at the time of the sentencing of the defendant.

Testimony in support of the bill was received by your Committee from representatives of the Office of the Prosecuting Attorney, the City and County of Honolulu, the Department of the Prosecuting Attorney, Victim/Witness Assistance Division, the County of Maui, and Parents of Murdered Children.

Your Committee finds that current law requires the pre-sentence report to include information made available by the victim concerning the effect of the crime upon the victim, but does not explicitly assure the victim the right to appear and speak at the sentencing hearing.

Your Committee believes that the victim, or if the victim is deceased or unable to attend the sentencing hearing, the victim's family, should have, by law, the opportunity to be heard prior to sentencing.

Therefore, your Committee has amended the bill by eliminating the new provision regarding a victim impact statement and providing instead an opportunity for the victim, or in certain cases, the victim's family, to be heard before sentence is imposed. Also included is a provision to provide notice to the victim of the sentencing date and of the opportunity to be heard.

In addition, technical, nonsubstantive amendments have been made for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 812, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 812, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Bainum, Cachola, Hirono, Oshiro and Takamine.

**SCRep. 1143      Judiciary on S.B. No. 689**

The purpose of this bill is to provide that once paternity is established, the confidentiality requirement does not extend to the paternity judgment and the subsequently filed documents which are used for support and medical enforcement purposes.

Under the present paternity law, all papers and records pertaining to a paternity action are required to be kept confidential. The removal of the confidentiality requirement following the establishment of paternity will assure that the State of Hawaii remains in compliance with federal law, as well as allow the child and the child's family to benefit from available support enforcement remedies.

Testimony in support of this measure was submitted by the Department of the Attorney General, the Department of the Corporation Counsel of the City and County of Honolulu, and the Office of the Corporation Counsel for the Counties of Hawaii and Kauai.

Technical, nonsubstantive amendments were made for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 689, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 689, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Herkes, Oshiro, Peters and Takamine.

**SCRep. 1144      Judiciary on S.B. No. 741**

The purpose of the bill is to eliminate the Statute of Limitations on prosecutions for manslaughter and to allow prosecutions for sexual offenses or abuse committed against minors to be commenced at any time until the person is twenty-one years of age.

Testimony in support of this bill was received by your Committee from the Office of the Prosecuting Attorney, City and County of Honolulu, and the Police Department of the City and County of Honolulu.

Testimony received by your Committee from the Office of the Public Defender noted the public policy reasons underlying the creation of a Statute of Limitations for criminal offenses, as set forth in the commentary to the Hawaii Penal Code (Code) which, pursuant to Section 701-105, Hawaii Revised Statutes (HRS), may be used as an aid in understanding the provisions of the Code.

Your Committee finds that important policies support the use of a Statute of Limitations. One of the most important considerations, as noted in the commentary, is that after a certain time, evidence tending to prove or disprove criminal liability become more difficult to obtain. Witnesses die, move away, or forget, and physical evidence disintegrates.

Hence the Code reflects these important policy considerations by incorporating a Statute of Limitations tailored to the degree of the offense.

At the same time, the Legislature has recognized one offense, murder, as subject to both special penalties and special rules. Murder, the most heinous of crimes because of its evil, intentional nature and horrendous consequences, is so offensive to the community that a commitment to justice and social order demands that the perpetrator be prosecuted. The necessity to make the murderer pay for the crime justifiably outweighs the policies supporting a Statute of Limitations.

Your Committee, therefore, finds that equating the lesser offense of manslaughter with murder for purposes of a limitation period is inappropriate. Yet, your Committee recognizes that the current three-year limitation period may be too short in some instances, because in a manslaughter, unlike most other felonies, there may be no report of the crime by the victim. Hence, on rare occasion, the commission of the crime may take several years simply to be discovered.

Your Committee believes, therefore, that an additional three-year period should be added to the Statute of Limitations for manslaughter as a balance between the policy considerations noted above and the need, occasionally, for additional time to discover and prosecute the crime. Since vehicular manslaughter homicides are unlikely to remain hidden, and for the reason that the evidence in such crimes is particularly susceptible to the ravages of time, such vehicular manslaughter homicides should remain within the current statutory scheme.

Your Committee finds that a change in the Statute of Limitations is not the solution to the problem of criminal offenses against children. All efforts must be directed toward encouraging both the prompt report of the offense and the prompt prosecution of those who would harm children, for it is only then that the crimes will stop.

Your Committee notes that it has been in the forefront of such efforts, and that it has fashioned and passed legislation which addresses the unique problems in the reporting and prosecution of these types of cases.

Your Committee, therefore, has amended this bill by providing for a vehicular manslaughter limitations period of three years and a non-vehicular manslaughter limitations period of six years. In addition, your Committee has deleted proposed changes to the Statute of Limitations for actions arising under Parts V or VI of Chapter 707, HRS.

Your Committee has also made technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 741, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 741, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Bainum, Cachola, Herkes, Hirono, Oshiro and Takamine.

#### SCRep. 1145

#### Public Safety and Corrections and Judiciary on S.B. No. 886

The purpose of this bill is to enable the State of Hawaii to comply with the federal Juvenile Justice Delinquency Prevention Act of 1974 (JJDP), as amended, by:

- (1) Promoting a more humane treatment of juveniles through removal of status offenders from secure juvenile detention facilities;
- (2) Removing all juveniles from adult jails and lockups; and
- (3) Separating incarcerated juveniles from adult detainees.

The State of Hawaii is currently in non-compliance with the "jail removal" mandate of the JJDP and as a result, nearly \$1,000,000 in federal funds are being withheld from the State. In order for Hawaii to resume receipt of the JJDP funds, the first step is to pass legislation that prohibits the incarceration of children accused or adjudicated of committing non-criminal offenses and limits the use of jails and lockup facilities for juveniles accused of a crime. The federal Office of Juvenile Justice Delinquency Prevention (OJJDP) has indicated that this action by the Legislature will result in the release of the funds in question. In addition, passage of this measure will not only make federal funds available to

develop program alternatives to achieve compliance, but will also provide needed money to improve the juvenile justice system.

Testimony in support of the measure was submitted by the Office of Youth Services, the Juvenile Justice State Advisory Council, the Governor's Office of Children and Youth, the Judiciary, and the Office of the Public Defender.

The Office of Youth Services and the Juvenile Justice State Advisory Council both testified that they prefer the language in H.B. No. 1338, H.D. 1, the House companion bill.

After free and open discussion, your Committees have made amendments to the bill which include but are not limited to the following:

- (1) Inserting, for the most part, the House companion bill language, as your Committees believe that it better conforms to the provisions of the Juvenile Justice Delinquency Prevention Act of 1974, as amended.

Your Committees believe this to be the case because with respect to Section 571-32(e), Hawaii Revised Statutes, the House version does not allow a child to be held after the filing of a petition or motion unless an order for continued detention or shelter has been made by a judge after a court hearing, whereas, the Senate version would allow a child to be held an additional twenty-four hours after the filing of a petition or motion, and would allow a judge to order continued detention without a court hearing.

Also, the House version includes the language, "probable cause" rather than "reasonably believed" as the standard for detentions, which is consistent with the current legal terminology when dealing with deprivation of liberty.

In recommending this language, your Committees would like to make it very clear that the procedures in the adult criminal court regarding probable cause hearings should not and need not be duplicated in the Family Court. Your Committees do not wish to have any group view the Legislature's adoption of this single phrase to signal an intent to make the Family Court a mere duplicate of the adult criminal court. To do so would go against the legislative purpose for the creation of the Family Court and would be a disservice to the children and families of Hawaii;

- (2) Inserting language which specifies that ex parte motions will not be considered, to ensure that adversely interested parties are timely notified of motions filed;
- (3) Inserting language which clarifies that the motions which are to be considered are motions for revocation of probation, or protective supervision. The Family Court will be streamlining probation and protective supervision revocation procedures, and will soon allow motions to revoke probation or protective supervision in addition to petitions for such violations; and
- (4) Making technical, nonsubstantive revisions for purposes of style, clarity, and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety and Corrections and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 886, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 886, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Amaral, Bunda, Cachola, Hirono, Peters and Takamine.

#### **SCRep. 1146 Finance on S.B. No. 818**

The purposes of this bill are, among other things, to allow:

- (1) The State to make short-term investments of state moneys in federally-insured financial services loan companies (FSLCs);
- (2) Insurers to invest or deposit their funds in solvent federally-insured FSLCs; and
- (3) Licensed general agents, subagents, solicitors, and adjusters to maintain collected premiums in accounts at federally-insured FSLCs situated in Hawaii.

Testimony in support of this bill was submitted by the Hawaii Financial Services Association.

This bill is a companion measure to H.B. No. 1156, which was reported out earlier by your Committee.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 818, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Marumoto and Ward.

#### **SCRep. 1147 Finance on S.B. No. 353**

The purpose of this bill is to clarify that benefits accruing to retirants, pensioners, or beneficiaries from the pensioners bonus provided by Act 339, Session Laws of Hawaii 1990, will not be affected by the repeal of the Act on June 30, 1995.

Testimony in favor of this bill was submitted by the Employees' Retirement System, the Hawaii Government Employees Association, and the Coalition of Hawaii State-Counties Retirees Association.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 353, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Nekoba, Suzuki and Tajiri.

**SCRep. 1148            Finance on S.B. No. 217**

The purpose of this bill is to change the position of Gender and Other Fairness Coordinator from civil service to exempt status.

The Gender and Other Fairness Coordinator is responsible for promoting the Judiciary's commitment to equal justice for all people, without regard to gender, race, ethnicity, religion, or other discriminatory factors prohibited by law. The Coordinator works with the Supreme Court's Permanent Committee on Gender and Other Fairness, whose members are appointed by the Chief Justice, to identify and address problem areas in the Judiciary, bar, law schools, and other law-related institutions. In addition, the Coordinator creates and implements educational programs for attorneys, jurors, Judiciary employees, and law school professors and students.

In supporting this measure, the Judiciary testified that because the Coordinator represents the Judiciary in the legal community, the Chief Justice and the Administrative Director of the Courts should have discretion in hiring the most suitable person for the job.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 217 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Nekoba.  
(Representatives Pepper and Tam voted no.)

**SCRep. 1149            Finance on S.B. No. 213**

The purpose of this bill is to designate the Supreme Court Law Library Fund as a Revolving Fund rather than a Special Fund.

Testifying in support of this measure, the Judiciary stated that a Revolving Fund will allow the State Law Library System to have an immediate, regular, and self-sustaining source of revenue to enhance library services. The Revolving Fund will also allow the library system to purchase replacements of library materials soon after these materials are reported or found to be lost, damaged, or stolen. The Judiciary emphasized that prompt replacement of materials is important because ready access to current, complete, and accurate legal information is vital to the administration of justice.

Upon enactment of this bill, all moneys in the Supreme Court Library Special Fund will automatically become Supreme Court Library Revolving Fund moneys.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 213, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Alcon.

**SCRep. 1150            Finance on S.B. No. 920**

The purpose of this bill is to grant water safety officers of the State and counties the same retirement benefits accorded to firefighters, police officers, correction officers, and certain investigators.

More specifically, this bill:

- (1) Allows water safety officers who are currently noncontributing Class C members of the Employees' Retirement System the option to become contributory Class A members; and
- (2) Provides that future water safety officers entering government service from January 1, 1994, would automatically be contributory Class A members.

Testimony in support of this measure was submitted by the City Council of the City and County of Honolulu, the City and County Department of Parks and Recreation, the Hawaii Government Employees Association, and the Hawaiian Lifeguard Association. The Employees' Retirement System submitted comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 920, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Suzuki and Tajiri.

**SCRep. 1151            Finance on S.B. No. 1864**

The purpose of this bill is to authorize the withdrawal of a portion of land designated in Executive Order No. 3061 upon which Maluhia Hospital, Kapalama, Oahu is situated.

The portion of land in question is to be leased by the Department of Land and Natural Resources (DLNR) to the Pacific Housing Assistance Corporation, a tax-exempt, nonprofit entity, to develop and construct a 40-unit apartment building for the frail elderly to be serviced by the Program for All-Inclusive Care for the Elderly operating from Maluhia Hospital.

Your Committee received testimony in support of the bill from DLNR and the Pacific Housing Assistance Corporation.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1864, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Nekoba.

**SCRep. 1152            Finance on S.B. No. 879**

The purpose of this bill is to provide University of Hawaii football coaches with an optional retirement plan by authorizing the University of Hawaii to enter into a written agreement with a football coaches pension plan that is qualified under section 401(k) of the Internal Revenue Code.

Testimony in support of this bill was submitted by the University of Hawaii. The University explained that currently its full-time football coaches are noncontributory members of the Employees' Retirement System and are not entitled to retirement benefits until they have ten or more years of service. Because many collegiate-level football coaches do not remain at the same institution for that period of time, the University testified that this bill will provide a viable alternative in retirement planning.

The Employees' Retirement System (ERS) stated that it did not object to the bill since it does not affect the ERS and there are no employer contributions.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 879 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Alcon.

**SCRep. 1153            Finance on S.B. No. 1906**

The purpose of this bill is to authorize the Executive Director of the Office of Youth Services to employ civil service-exempt staff for the administration of the Juvenile Justice Delinquency Prevention Act.

When the Juvenile Justice Interagency Board was transferred from the Department of the Attorney General to the Office of Youth Services, two civil service-exempt positions were simultaneously transferred as well. However, the Executive Director of the Office of Youth Services needs specific statutory authority to hire civil service-exempt positions. This measure will remedy this situation for the specific purpose of the administration of the Juvenile Justice Delinquency Prevention Act, and allow the State to utilize matching federal funds available for one of the positions.

Testimony in support of this bill was submitted by the Office of Youth Services and the Juvenile Justice State Advisory Council. The United Public Workers submitted testimony in opposition to this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1906, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Nekoba.  
(Representatives Pepper and Tam voted no.)

**SCRep. 1154            Finance on S.B. No. 930**

The purpose of this bill is to provide funding to continue the Resource and Technical Assistance Project on Autism, coordinated by the University of Hawaii's University Affiliated Program.

More specifically, the Autism Project will provide:

- (1) Diagnostic expertise and a team of trained professionals to work with parents throughout the child's evaluation;
- (2) Coordination of the development and implementation of meaningful service plans;

- (3) On-site training for families, community agencies, and schools to provide appropriate services for persons with autism;
- (4) Assistance to families in finding appropriate services;
- (5) Advocacy for individuals with autism or autistic-like characteristics to further develop and improve services; and
- (6) Facilitation of research, networking, information exchanges, and agreements among agencies and parents dealing with autism.

Your Committee received testimony in support of the bill from Hawaii's congressional delegation, the Autism Project Advisory Committee, the State Planning Council on Developmental Disabilities, the Mental Health Association in Hawai'i, the Autism Society of Hawaii, the Protection and Advocacy Agency of Hawaii, professional social workers, and parents of autistic children.

The University of Hawaii's University Affiliated Program submitted testimony in support of the intent of the bill, but in opposition to any additional funding due to the State's current fiscal constraints.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 930, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

**SCRep. 1155      Finance on S.B. No. 1810**

The purpose of this bill is to allow a court to impose a scheduled monetary assessment upon any person convicted of, granted a deferred acceptance plea for, or allowed to plead no contest on, an offense involving the distribution of a controlled substance or the commercial promotion of marijuana.

Under this bill, the assessments will be deposited into a newly created Drug Demand Reduction Assessments Special Fund (Fund) to be administered by the Judiciary to be used to supplement drug treatment and other drug demand reduction programs.

The Judiciary offered testimony supporting the merits of the measure while recommending that the Department of Health (DOH) be charged with the responsibility of administering the Fund. Other comments of a similar nature were offered by the DOH and the Hawaii Advisory Commission on Drug Abuse and Controlled Substances.

Testimony in general support of the intent of the measure was offered by the Honolulu Police Department, the Big Island Police Department, the Maui Police Department, the Big Island Prosecutor, and the State Advisory Council on Mental Health and Substance Abuse. The Attorney General offered comments in strong support of this measure and requested a technical amendment to correct a statutory reference.

Accordingly, your Committee has amended this measure by:

- (1) Designating the DOH as the administering agency for the Fund; and
- (2) Making technical, nonsubstantive revisions to correct a statutory reference and for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1810, 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. 1810, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Marumoto and Ward.

**SCRep. 1156      Finance on S.B. No. 1751**

The purpose of this bill is to provide for the deposit of wage deductions from Correctional Industries inmates, into the Correctional Industries Revolving Fund (Fund). This bill also directs that wages so deposited shall be used to reimburse the State for the incarceration costs of the working inmate.

Testimony in support of the measure was submitted by the Department of Public Safety.

Upon further consideration, your Committee has amended this bill by:

- (1) Replacing the specific appropriated amount of \$60,000 with \$0 to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for purposes of style and clarity.



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1751, 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. 1751, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Marumoto and Ward.

**SCRep. 1157                      Finance on S.B. No. 1300**

The purpose of this bill is to appropriate funds for the development of a comprehensive, multiagency alien species action plan to prevent the introduction and control the spreading of nonnative species of plants and animals.

A background report released by The Nature Conservancy and the Natural Resources Defense Council entitled, "The Alien Pest Species Invasion in Hawaii: Background Study and Recommendations for Interagency Planning," documents the need for the development of a multiagency action plan to coordinate the existing programs of the various agencies working on alien species prevention and control, and the need to devise new strategies to fill the gaps that currently exist between the agencies and organizations involved.

The Department of Agriculture, the University of Hawaii Department of Urban and Regional Planning, The Nature Conservancy of Hawaii, the Natural Resources Defense Council, the Pu'u Kukui Watershed Supervisor of the Maui Pineapple Company, Ltd., and other concerned individuals submitted testimony in support of this measure.

Your Committee has amended this bill by:

- (1)            Inserting the symbolic sum of \$0 in the appropriation section for purposes of continued discussion; and
- (2)            Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1300, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1300, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Nekoba.

**SCRep. 1158                      Finance on S.B. No. 1643**

The purpose of this bill is to appropriate funds for the Hawaii Families Together Initiative.

Your Committee received testimony in support of this measure from the Department of Human Services, the Office of Children and Youth, the Department of Education, the Judiciary, and Parents and Children Together. The Office of Youth Services testified in support of the intent of the bill, but did not support any appropriation requests not already included in the Executive Budget proposal.

Upon further consideration, your Committee has amended the bill by:

- (1)            Changing the unspecified appropriation amount to \$673,946 for fiscal year 1993-1994;
- (2)            Deleting the appropriation for fiscal year 1994-1995; and
- (2)            Making other technical, nonsubstantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1643, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1643, S.D. 2, H.D. 1.

Signed by all members of the Committee.

**SCRep. 1159                      Finance on S.B. No. 603**

The purpose of this bill is to examine the feasibility of establishing a Department of Environmental Protection.

Specifically, this bill requires:

- (1)            The Legislative Reference Bureau (LRB), during the interim prior to the 1994 legislative session, to update its previous report on the feasibility of environmental reorganization for Hawaii, and to gather information related to the fiscal aspects of environmental reorganization;
- (2)            The LRB to submit the foregoing report to the Legislature twenty days prior to the 1994 legislative session;
- (3)            The Governor, during the interim prior to the 1995 legislative session, to prepare an organizational and functional plan for a Department of Environmental Protection, and a plan for the orderly transition of the functions that the Governor proposes to transfer to the Department;

- (4) The foregoing organizational and functional plan to be submitted to the Legislature not less than thirty days prior to the 1995 legislative session; and
- (5) The Governor to appoint a steering committee to address implementation of the new Department.

Your Committee received testimony in support of the bill from the Office of State Planning, the Department of Health, and the University of Hawaii.

Upon further consideration, your Committee has amended this bill by:

- (1) Requiring the LRB to submit its report to the Legislature twenty days prior to the 1996 legislative session;
- (2) Requiring the Governor to prepare an organizational and functional plan during the interim period before the 1996 legislative session;
- (3) Requiring the Governor to submit the organizational and functional plan to the Legislature no later than thirty days prior to the 1996 legislative session; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 603, 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. 603, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Nekoba.

**SCRep. 1160      Finance on S.B. No. 503**

The purpose of this bill is to appropriate funds for the development and long-range planning of a Comprehensive Community-based Mental Health System in Hawaii.

More specifically, this bill will require the Department of Health (DOH) to submit:

- (1) Plans pertaining to the development and long-range planning of a Comprehensive Community-based Mental Health System in Hawaii to the 1994 Legislature; and
- (2) Annual reports to the Legislature with an updated projection of the fiscal resources and staffing necessary to implement the State Comprehensive Mental Health Services Plan.

The DOH and the State Advisory Council on Mental Health and Substance Abuse testified in support of the intent of the measure. However, because of fiscal restraints on its 1993 Executive Budget, the DOH indicated that it is unable to support the expansion of programs contained in this bill, and therefore, requests that the bill be held. Your Committee also received written comments on this bill from the Mental Health Association in Hawai'i and an interested citizen.

Upon further consideration, your Committee has amended this bill by:

- (1) Deleting the appropriation section and any references to the appropriation from the contents of the bill; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 503, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 503, H.D. 2.

Signed by all members of the Committee.

**SCRep. 1161      Finance on S.B. No. 1354**

The purpose of this bill is to authorize the issuance of special purpose revenue bonds in an unspecified amount to assist the Waianae Coast Comprehensive Health Center (Center) in its construction of additions to its existing facilities.

The Center Administrator and Board, the Manager of Chevron's Petroleum Refinery at Campbell Industrial Park, and Ke Ola O Hawai'i submitted testimony in strong support of this measure.

In its testimony, the Center explained that the bonds will be used to finance the following health care facility components to augment the existing facilities of the Center: a family medicine building, a laboratory building, a community mental health building, an administrative portable, a Native Hawaiian health building, WIC/Nutrition/Preventative health buildings, the Waianae Health Academy, and related infrastructure and development-related costs.

The measure was amended by inserting the sum of \$7,000,000 to specify the amount of special purpose revenue bonds authorized to assist the Center.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1354, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1354, H.D. 1.

Signed by all members of the Committee.

**SCRep. 1162                      Finance on S.B. No. 1851**

The purpose of this bill is to authorize the issuance of special purpose revenue bonds in a total amount not to exceed \$50,000,000 for the purpose of assisting C. Brewer and Company, Limited, in the construction of a medium density fiberboard plant in the County of Hawaii.

In supporting this measure, Brewer Environmental Industries, Inc. testified that with the "phase down" of sugar lands on the Big Island and with the last harvest of Mauna Kea Agribusiness scheduled for October 1994, the development of eucalyptus trees along the Hilo Coast would utilize the agricultural lands and serve as a basis for a medium density fiberboard industry which could provide up to 200 jobs.

Upon further consideration, your Committee has amended this bill by changing the date upon which the authorization will lapse from June 30, 1997, to June 30, 1993, for purposes of continued discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1851, 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. 1851, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Tajiri.

**SCRep. 1163                      Finance on S.B. No. 1652**

The purpose of this bill is to enhance voter registration by:

- (1) Requiring the Department of Taxation to insert an application for voter registration with each resident income tax return instructional booklet;
- (2) Appropriating \$70,000 to the Office of the Lieutenant Governor to print and provide the foregoing voter registration applications;
- (3) Allowing previously registered voters whose names have been purged from the voter registry to re-register any time up to and including the day on which an election is held; provided that an application for re-registration by mail must be received by the clerk by 4:30 p.m. on the day preceding the day of the election; and
- (4) Authorizing all County Clerks to transfer a voter's registration whenever a notice of change-of-address is received.

Testimony in support of this measure was submitted by the Office of the Lieutenant Governor, Common Cause Hawaii, and the League of Women Voters.

The Department of Taxation (Department) explained that under an oral agreement with the Office of the Lieutenant Governor, the Department will start distributing voter registration forms with resident tax return booklets in 1994. The Department emphasized that a statutory mandate would be premature until the pros and cons of this pilot project can be evaluated.

Upon further consideration, your Committee has amended this measure by:

- (1) Changing the appropriation amount for fiscal year 1993-1994 to \$0 for the purpose of continued discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1652, 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. 1652, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Marumoto and Ward.

**SCRep. 1164                      Finance on S.B. No. 250**

The purpose of this bill is to appropriate funds to establish a Pacific Mapping Center in the College of Engineering of the University of Hawaii at Manoa.

Testimony in support of the bill was submitted on behalf of the University of Hawaii by the Interim Dean of the College of Engineering, and the Principal Investigator for the Pacific Mapping Program who noted that Hawaii's Exclusive Economic Zone consists of approximately 697,000 square miles with less than three percent of this area bathymetrically

mapped. The Principal Investigator further noted that ocean floor maps are used in marine mining, fisheries research, tsunami research, and identifying sites for ocean thermal energy plants.

Upon further consideration, your Committee has amended this measure by inserting \$0 in the appropriation section to facilitate further discussion. Also, technical, nonsubstantive amendments have been made for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 250, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 250, H.D. 1.

Signed by all members of the Committee except Representative Nekoba.

**SCRep. 1165 Finance on S.B. No. 467**

The purpose of this bill is to provide the Department of Education (DOE) with greater flexibility over its budget.

Among other things, this bill:

- (1) Allows the DOE to carry over up to ten percent of any unexpended and unencumbered appropriation at the close of a fiscal year, and specifies that the carryover not lapse until June 30 of the first year of the next fiscal biennium;
- (2) Specifies that any carryover may be used by the DOE to supplement any program appropriation, provided that the carryover not be used to reduce the DOE's future budget requests, unless requested by the DOE;
- (3) Permits the DOE to hire as many temporary teachers or temporary personnel as necessary, with certain restrictions; and
- (4) Requires the DOE to submit an allotment and expenditure plan to the Governor for each fiscal year; and
- (5) Requires the proposed state budget to include statements of differences between the proposed biennium recommendations and the amounts appropriated and expended in the previous biennium.

The DOE submitted supportive testimony which indicated that the budgetary flexibility provided by the bill is consistent with the move toward school/community-based management, lump sum budgeting, and decentralized authority.

Your Committee also received testimony in support of the measure from the Chamber of Commerce of Hawaii and the Hawaii Business Roundtable.

In written testimony, the Lieutenant Governor stated that the Task Force on Educational Governance felt a carryover of unexpended and unencumbered funds would reconcile the schools' need for budget flexibility with the need for fiscal accountability. Moreover, allowance of the carryover would end the practice of spending unencumbered moneys in a rush in order to use funds before they lapse.

The Department of Budget and Finance submitted comments and indicated its concurrence with the measure's intent to provide budgetary flexibility.

Written comments were also received from the Tax Foundation of Hawaii.

Upon careful consideration, your Committee has amended this bill by:

- (1) Reducing the percentage of unexpended and unencumbered appropriations that may be carried over at the close of a fiscal year from ten to five percent;
- (2) Changing the lapsing date of the carryover from June 30th of the first year of the next fiscal biennium to June 30th of the next fiscal year; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 467, 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. 467, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Suzuki and Tajiri.

**SCRep. 1166 Consumer Protection and Commerce on S.B. No. 1148**

The purpose of this bill is to require that health insurance policies, issued or renewed on or after January 1, 1994, that cover pregnancy-related services, include a subscriber-elected option for contraceptive services coverage.

Testimony in support of this bill was received from the Department of Health, the Hawaii Nurses' Association, the Hawaii Public Health Association, the Hawaii Teen Pregnancy and Parenting Council, the Healthy Mothers, Healthy Babies Coalition of Hawaii, the Hawaii State Commission on the Status of Women, and several individual citizens. The

National Association of Social Workers, Hawaii Chapter, and Kalihi-Palama Health Clinic submitted testimony favoring mandatory coverage for contraceptive services.

The Hawaii Medical Services Association and the Chamber of Commerce Of Hawaii submitted testimony in opposition to this bill.

Your Committee finds that the majority of the State's population with private health insurance coverage is under-covered for reproductive health services. It is in the public interest to facilitate access to contraceptive services, and making this coverage available as an option in health insurance plans would help to achieve this objective.

Your Committee had concerns about the ambiguity of the bill's language relating to the mandatory or optional nature of contraceptive services coverage, and the implications of making this coverage mandatory. Section 23-51, Hawaii Revised Statutes, requires that the Legislative Auditor assess the social and financial effects of proposed mandatory health insurance coverage before the Legislature can consider the enactment of this coverage.

In addition, your Committee was concerned that the language in this bill might be construed as a grant of prescriptive authority to health care providers. To address these concerns, your Committee has amended this bill by:

- (1) Clarifying that the insurance plans covered by this bill are employer group health plans;
- (2) Providing contraceptive services coverage as an employer option rather than as a subscriber option;
- (3) Clarifying that the drug coverage requirements pertain to employer health insurance plans that include pregnancy-related services coverage; and
- (4) Specifying that this bill does not authorize any additional privileges for health care providers.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1148, 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. 1148, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Herkes, Hiraki, Menor, Peters, Takamine and Tom.

**SCRep. 1167                      Judiciary on S.B. No. 1216**

The purpose of this bill is to amend section 572-28, Hawaii Revised Statutes, so as to abolish interspousal tort immunity.

The Supreme Court Committee on Gender and Other Fairness, the Hawaii State Commission on the Status of Women, the Hawaii State Bar Association, the Hawaii Academy of Plaintiff's Attorneys, two law professors and a private attorney testified in support of this measure. The Hawaii Insurer's Council and State Farm Insurance Companies testified in opposition to this measure.

Your Committee finds that interspousal tort immunity is rooted in the common law legal fiction that "husband and wife are one person." Also, it is partially based upon the feudal concept that upon marriage a woman became her husband's property. Your Committee finds that the concept, that a wife's legal identity merges into her husband's identity, is antiquated and that it no longer serves an appropriate purpose in today's society.

Your Committee notes that this bill will eliminate the discriminatory burden that our present law places on marriage. Presently, all other intrafamily lawsuits, such as children against parents and siblings against siblings, are permitted under law. Also, unmarried adults, who are living together, can file suit against one another. Yet, a husband and wife cannot file a tort suit against each other.

Your Committee is aware of two primary arguments espoused by those who seek to retain interspousal immunity: (1) the possibility of collusion between spouses to obtain insurance proceeds; and (2) the disastrous effect it would have upon marital harmony. As to the first argument, your Committee believes that the present judicial system is well-equipped to detect and uncover cases of collusion. As to the second argument, your Committee believes that in many cases, such as spousal abuse, the existence of marital harmony is illusory. By allowing one spouse to sue the abusing spouse, we believe that a greater deterrent to spousal abuse will result. Additionally, in cases where one spouse is seeking to collect insurance proceeds on account of a tort by another spouse, we do not believe that the marital harmony will be greatly affected.

Your Committee believes that this bill will help to eliminate unfair bias, prejudice, and discrimination in the legal system. There is no longer a viable reason to discriminate against married people in this fashion. It is a bill whose time has come.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1216 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda, Oshiro, Peters and Takamine.  
(Representative Cachola voted no.)

**SCRep. 1168 Consumer Protection and Commerce on S.B. No. 1486**

The purpose of this bill is to increase the period of license suspension or revocation from two years to five years for professions regulated under Chapter 436B, Hawaii Revised Statutes--the Uniform Professional and Vocational Licensing Act.

In supporting this measure, the Department of Commerce and Consumer Affairs (DCCA) testified that the proposed five-year period would enhance the deterrent effect of a license suspension or revocation, and thus serves the interests of the consuming public. The DCCA representative added that suspensions and revocations are license sanctions relegated to only the most serious licensing law violations, and that the five-year period parallels that which is mandated for suspended or disbarred attorneys.

Upon careful consideration, your Committee has made a technical, nonsubstantive revision to correct a grammatical error.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1486, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1486, S.D. 1, H.D.1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Cachola, Herkes, Hirono and Takamine.

**SCRep. 1169 Judiciary on S.B. No. 14**

The purpose of the bill, as received by your Committee, was to expand the category of promoting prostitution in the first degree by lowering, from eighteen to sixteen, the age of exploited minors which would subject the perpetrator to a first degree charge, and to permit deferred pleas under Chapter 853, Hawaii Revised Statutes, in first-offense prostitution cases.

Testimony in support of the bill as it related to deferred pleas for first-offenders, was received by your Committee from a representative of the Office of the Public Defender and a private citizen.

Representatives of the Office of the Prosecuting Attorney of the City and County of Honolulu and the Police Department of the City and County of Honolulu generally opposed deferred pleas in such cases, and pointed out that if a record of a first conviction is expunged following the discharge and dismissal under Chapter 853, it would be difficult, if not impossible, to identify the chronic offender so as to impose the mandatory thirty day jail sentence contemplated for the repeat offender.

With respect to the offense of promoting prostitution in the first degree, the representative from the Office of the Public Defender testified that a person 14 years old may consent to sexual conduct under current law and that it is inconsistent to impose similar sanctions on one who promotes prostitution of a person who can't legally consent, with one who promotes prostitution of a person who can legally consent.

Your Committee finds that the current statutory scheme rationally classifies the promotion of prostitution in such a way as to provide sanctions realistically addressed to the circumstances involved in the offense. Your Committee believes that the current Class C felony status for one who profits from a person engaged in prostitution when that person can legally consent to sexual conduct is appropriate, and in accord with the reasoning and age classifications contained in other statutory sentencing tiers for other types of sexual offenses.

Your Committee notes that an anomaly has developed with regard to the offense of prostitution, in that the more serious offenses of promoting prostitution in the first, second, and third degree are eligible for deferred pleas under Chapter 853, yet the lesser offense of prostitution is not.

Your Committee recognizes that the adoption of mandatory penalties for prostitution was an attempt to curb the rising toll of violence and property crimes associated with the offense of prostitution.

Mandatory penalties, by their very nature, focus solely on the crime and ignore the circumstances of the person who has committed the crime. While recognizing that the large majority of prostitutes simply elect to continue in that way of life, and that mandatory penalties are the most effective way to dissuade them from practicing that way of life in this jurisdiction, there are others, many of them youngsters, who may be charged as prostitutes and who have engaged in the activity because of drug problems, extreme poverty, or other mitigating circumstances.

For these individuals, unlike the hardened professional, as well as for certain customers of prostitutes, a conviction under the present law for engaging in prostitution is a devastating and humiliating stigma which will last forever. An opportunity for these individuals to clear their record seems much more likely to prevent future brushes with the law than the imposition of a mandatory penalty and the realization that no effort on their part will be sufficient to completely restore their good name.

In contrast, your Committee sees little benefit to the public from permitting deferred pleas to those who profit off the prostitution activity of others.

Your Committee has amended the bill to clarify that in a prostitution case, first-time offenders shall be eligible for consideration under Chapter 853, but if the judge does not defer the plea, the present scheme of requiring a mandatory \$500.00 fine will not be disturbed.

To prevent the chronic offender from avoiding the mandatory thirty day jail sentence for repeat offenders, your Committee has amended the bill to provide that if the deferred plea is granted, four years must pass after the defendant is discharged before the record can be expunged. In addition, the ameliorative sentencing provisions of the bill have been made retroactive to pending cases, and all changes to current law with respect to the definition of promoting prostitution have been deleted.

Your Committee has further amended the bill by providing that those charged with promoting prostitution are not eligible for deferred pleas, and by making technical, nonsubstantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 14, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 14, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda, Cachola, Oshiro, Peters, Takamine and Thielen.

(Representative Bainum voted no.)

**SCRep. 1170            Judiciary on S.B. No. 525**

The purpose of the bill, as received by your Committee, is to prohibit persons who have been restrained by certain court orders from possessing or controlling a firearm or ammunition while the protective order is in effect.

Your Committee received testimony generally in support of the bill from representatives of the Attorney General, the Office of the Prosecuting Attorney, City and County of Honolulu, the Police Department of the City and County of Honolulu, the Commission on the Status of Women, the League of Women Voters, the Hawaii Rifle Association, the Hawaii Firearms Control Coalition and a private citizen.

Your Committee finds it appropriate to prohibit the possession of firearms by those who are under restraining orders. Your Committee was concerned, however, that since the restraining order is of a limited duration, some provision should be made for safekeeping of the weapon during the period of the order. Further, your Committee was mindful that in certain cases there may be legitimate reasons why such a prohibition against possessing firearms may be unnecessary or inappropriate.

Your Committee also finds that in the case of persons charged with crimes, a better method of informing such persons of the provisions of Chapter 134, and of enforcing those provisions should be found.

Your Committee, therefore, has amended the bill by requiring the person owning, possessing or controlling the weapon to turn in the weapon to the police department of the appropriate county for safekeeping during the life of a restraining order and by permitting the court, for good cause shown, the discretion to permit individuals to retain their firearm.

Further, your Committee has amended the bill by adding new language requiring the court to order, at arraignment, those criminal defendants who face certain charges, to dispose of their firearms and ammunition. The Court will also inform the defendant of the provisions of certain portions of Chapter 134. To encourage such disposition, certain prosecutions which could result from compliance with the order will be prohibited.

In addition, information about whether or not the defendant has complied with such order will be required in the pre-sentence report.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 525, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 525, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda, Cachola, Oshiro, Peters, Takamine and Thielen.

**SCRep. 1171            Judiciary on S.B. No. 555**

The purposes of this bill are to:

- (1) Eliminate the classifications of first and second degree murder and substitute classifications called "aggravated murder" and "murder"; and
- (2) Make the criminal act of sexual assault in the first degree, that results in or is coupled with death, subject to the higher penalty of "aggravated murder."

The Department of the Prosecuting Attorney of the City and County of Honolulu (City Prosecutor), Parents of Murdered Children, and the Commission on the Status of Women testified in support of this bill as it relates to the imposition of life without parole.



The City Prosecutor and the Office of the Public Defender testified in opposition to deleting the nomenclature regarding first and second degree murder.

Your Committee finds that a change in classification to "aggravated murder" and "murder" is an unnecessary departure from the current terminology used throughout the rest of the Hawaii Penal Code.

Your Committee also finds that adding yet another new specific type of offense to the murder in the first degree statute is unwise for several reasons. First, there is no justification as to why that specific crime, as opposed to some other equally offensive crime, should be added to the statute. Second, the imposition of Hawaii's ultimate penalty would be made irrespective of any mitigating factors which might be present in a given case. Third, if this trend were to continue, each passing year could find support for the inclusion of yet another specific type of offense to the murder in the first degree statute.

Your Committee believes the better approach is to leave the current murder in the first degree statute as is, but to give the court discretion, based upon the circumstances of the crime, and without the necessity of limiting itself to a specific type of offense, to judge when the circumstances of the murder justify the imposition of a life sentence without parole.

Such discretion should, your Committee believes, be limited to those situations where the circumstances demonstrate that the individual who committed the crime is exceptionally depraved, and hence should not be considered eligible for parole.

Therefore, your Committee has amended this bill by deleting all provisions creating the categories of "aggravated murder" and "murder" and adding new language giving discretion to the judge to sentence an individual, in a second degree murder evidencing exceptional depravity, to life without parole.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 555, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 555, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda, Hirono, Oshiro and Thielen.

**SCRep. 1172            Judiciary on S.B. No. 205**

The purpose of this bill is to amend sections 612-3, 612-8, and 635-26, Hawaii Revised Statutes, to permit district courts to utilize juries to hear driving under the influence cases. Additionally, this bill exempts district court jurors from prosecutions for parking violations committed in connection with jury duty.

The Judiciary and the Department of the Prosecuting Attorney for the City and County of Honolulu testified in support of this measure.

Your Committee finds that section 4 of Act 253, Session Laws of Hawaii 1992, permitted trials by jury to be heard by the district courts in cases involving driving under the influence of intoxicating liquor. This bill is a housekeeping measure. It amends other sections of the Hawaii Revised Statutes (HRS) in order to allow the district courts to hear jury trials in section 291-4, HRS, cases.

Your Committee has amended this measure to make technical and non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 205, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 205, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bainum, Bunda, Oshiro, Peters and Takamine.

**SCRep. 1173            Judiciary on S.B. No. 1172**

The purpose of this bill is to allow the possession of magazines in excess of ten rounds if certain criteria are met.

Your Committee received testimony in support of the bill from representatives of the Mid-Pacific Pistol League, the Hawaii Rifle Association, the Puuloa Rifle and Pistol Club and from private citizens.

Your Committee received testimony raising concerns about the bill from a representative of the Attorney General.

Your Committee finds that current law will prevent those engaged in pistol shooting competitions from hosting competitions or effectively practicing for and participating in such competitions due to the fact that many modern competition pistols have magazine capacities in excess of 10 rounds.

The present bill, however, does not in any way restrict the availability of such magazines, but merely requires that they fit completely within the butt of the pistol.

Your Committee finds that this exception is too broad, as the the purpose of the current law was to prevent the wide spread availability of such magazines, and the primary objection to the current law is related solely to the need for such magazines for competition purposes.

Therefore, your Committee has amended the bill by setting up procedures for members in good standing of gun clubs to obtain the magazines required for their sport, while providing oversight to both the Attorney General and the Chiefs of Police of the various counties. In addition, your Committee has made it a felony to alter or enlarge the original design of the pistol butt to accept and conceal larger magazines.

Your Committee believes that this solution will permit legitimate sporting activities to continue, while at the same time preventing those who have no legitimate need for such magazines from obtaining them.

In addition, technical, nonsubstantive amendments have been made for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1172, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1172, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda, Hirono, Oshiro and Thielen.

**SCRep. 1174                      Judiciary on S.B. No. 1819**

The purpose of the bill is to create an option for expedited sentencing of persons charged with intra-family sexual assault.

Testimony was received by your Committee from public and private agencies, and from many private citizens both in support of and in opposition to the bill.

Your Committee finds that all of the opinions expressed were firmly based on a deep and abiding concern and love for children.

Your Committee notes, as it has in the past, that the prompt and successful prosecution of the perpetrators of these types of offenses can pose many difficulties. Clearly, every reasonable effort should be made to create legislation which may relieve the suffering of the innocent children, and minimize the chance that sexual abuse will occur again.

It is with that thought in mind that your Committee finds that this bill offers a new approach to removing obstacles from the prosecution of certain sex offenders, while at the same time offering the hope that treatment and intensive monitoring will minimize the chance of further abuse. Conviction of these offenders offers a chance to stop the abuse. Failure to convict places all of our children at risk.

Your Committee wishes to emphasize that this bill is not a substitute for the current law, but merely a supplement. It is but another tool in the arsenal of weapons available to those who fight against child sexual abuse.

Your Committee views this legislation as an experiment, one which will have to prove its worth in practice if it is to survive. Your Committee has confidence that those authorities charged with the discretion to make use of the options presented in this bill will exercise its provisions only when it is in the best interests of the child and of the public to do so.

Your Committee has amended the bill by providing that those who have been previously convicted of the type of crimes which are subject to this program are not eligible for the program, and by providing that the notice to those being considered for the program must contain information relating to revocation of probation for failure to comply with the terms of probation.

In addition, technical, nonsubstantive amendments have been made for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1819, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1819, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Bunda and Oshiro.  
(Representatives Amaral, Bainum, Herkes, Hirono and Thielen voted no.)

**SCRep. 1175                      Judiciary on S.B. No. 413**

The purpose of this bill is to propose a constitutional amendment requiring the consent of the Senate in the appointment of district court judges.

Testimony in support of this measure was submitted by the Hawaii State Bar Association. Comments were submitted by the Judiciary.

Like the Senate, the members of the House of Representatives reflect the popular will of the people. Moreover, it should be noted that the House shares with the Senate equal responsibility for lawmaking within the State of Hawaii.

Therefore, as a matter of equity, your Committee is of the opinion that the House should assume the responsibility of consenting to the appointment of district court judges.

Accordingly, your Committee has amended this bill by requiring:

- (1) The consent of the Senate in the appointment of district court judges only if the House takes no action;
- (2) That the House must either confirm or reject the nomination within 30 days and if rejects, must be presented with another name within 10 days; and
- (3) That if the Senate rejects any appointment, the same appointment and consent procedure for the Senate shall be followed until an appointment is made.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 413, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 413, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda, Hirono, Oshiro and Thielen.

**SCRep. 1176            Judiciary on S.B. No. 492**

The purpose of this bill is to amend the Hawaii Revised Statutes to require the consent of the Senate for the appointment of district court judges.

Testimony in support of this measure was submitted by the Hawaii State Bar Association. Comments were submitted by the Judiciary.

Like the Senate, the members of the House of Representatives reflect the popular will of the people. Moreover, it should be noted that the House shares with the Senate equal responsibility for lawmaking within the State of Hawaii. Therefore, as a matter of equity, your Committee is of the opinion that the House should assume the responsibility of consenting to the appointment of district court judges.

Accordingly, your Committee has amended this bill by:

- (1) Proposing a constitutional amendment to require that the consent of the House is required for the appointment of district court judges;
- (2) Specifying the procedure of appointment and consent;
- (3) Amending Section 604-2, Hawaii Revised Statutes, to reflect the proposed constitutional amendment of this measure; and
- (4) Making technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 492, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 492, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda, Hirono, Oshiro and Thielen.

**SCRep. 1177            Judiciary on S.B. No. 1624**

The purpose of this bill is to amend Section 626-1, Hawaii Revised Statutes (HRS), by compressing the definitions of "domestic violence victims' program" and "sexual assault crisis center" into the "victim counselor program" definition. Also this bill eliminates the definition of "social worker" and it purports to simplify the definition of "victim counselor" to conform to other privileges in the Hawaii Rules of Evidence.

The Judiciary, the Hawaii State Commission on the Status of Women, the Department of the Prosecuting Attorney for the City and County of Honolulu, the Hawaii State Coalition against Sexual Assault, the Hawaii Academy of Plaintiffs' Attorneys, the Sex Abuse Treatment Center, and the Domestic Violence Legal Hotline testified in support of this bill. The Office of the Public Defender testified in strong opposition to this bill.

Your Committee agrees with the arguments set forth by the Office of the Public Defender. The Senate draft of this bill provides insufficient criteria regarding the background of those persons qualifying as victim counselors. Also, the Senate draft of this bill has eliminated any requirement that the victim counselor be placed under the supervision of a responsible person within the counseling center. Additionally, there is no mention as to what would constitute a person being "authorized" under the victim counselor definition. The unintended result of these changes would be to permit the victim-counselor privilege to apply to groups that have no training and no supervision. These groups, with the full benefit of the privilege, could indoctrinate victims in preparation for their courtroom testimony.

Your Committee has amended this bill to restore it to its original form. Thus, your Committee has rejected the changes made in Senate draft 1 of this bill. This bill, as changed by your Committee, amends the Hawaii Rules of Evidence by deleting the reference to a "registered" social worker and by adding a new definition for "social worker."

Your Committee finds that the reference in the existing law to a "registered" social worker is a nullity. This is so because social workers are no longer "registered" in accordance with Chapter 467D, HRS. Chapter 467D, HRS, was repealed on December 31, 1992. Also, your Committee has identified certain qualifications for social workers in the new definition of "social worker."

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1624, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1624, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda, Hirono, Oshiro, Peters and Thielen.

**SCRep. 1178                      Judiciary on S.B. No. 1584**

The purposes of this bill are to:

- (1) Define "vexatious litigant";
- (2) Require the plaintiff to post security where it has been shown that the plaintiff is a vexatious litigant and there is no reasonable probability that the plaintiff will prevail; and
- (3) Allow the court to enter a prefilng order prohibiting a vexatious litigant from filing any new litigation without first obtaining permission from the court where the litigation is proposed to be filed.

Testimony in support of this bill was submitted by the Hawaii State Bar Association (HSBA), the Hawaii Academy of Plaintiffs' Attorneys, and a private citizen. The Native Hawaiian Legal Corporation had no objections to the measure.

The testimony of the HSBA addressed the definition of the term "repeatedly" as used in Paragraphs -1(2) and (3) of the new chapter because it might unfairly bar meritorious claims under this proposed legislation. The HSBA was concerned that the term "repeatedly" may be applied to plaintiffs who "repeatedly" relitigate two or three times or plaintiffs who "repeatedly" file motions, pleadings, or other papers that appear unmeritorious. It is not uncommon for litigants, especially those litigating pro se, to file more than one claim for legitimate reasons or have claims brought in state court to be later litigated in federal court, and vice versa. Moreover, it is not uncommon for plaintiffs to repeatedly file motions, pleadings, or other papers due to basic unfamiliarity with the judicial process.

Your Committee, therefore, finds that the term "repeatedly" as used in Paragraphs -1(2) and (3) of the new chapter should refer to plaintiffs who relitigate in bad faith and who deliberately and intentionally abuse the system by bringing claims frivolously or causing unnecessary delay. The passage of this bill is not meant to punish litigants that are unfamiliar with the judicial process and are earnestly attempting to protect or preserve their rights. Your Committee has therefore amended this bill to insert the phrase "in bad faith."

The HSBA also expressed concern regarding Section -7 of the new chapter which requires court approval before a vexatious litigant may file for new litigation. The HSBA testified that Section -7 is silent as to whether court review also includes a public hearing since many pro se litigants are unable to effectively express themselves in writing and may have a legitimate claim in a subsequent litigation. To address this concern, your Committee has amended this bill to clarify that if a vexatious litigant wants to file another claim, then the court should hold a hearing to determine the merit of the claim.

The HSBA further testified that the passage of this bill would effectively bar many inmate lawsuits. Often, inmates are unable to obtain attorney representation and are pro se litigants. Many inmates lack education and repeatedly file claims or the like, but are acting in good faith. Your Committee does not intend to bar such claims and finds that the amendments noted above should resolve these concerns and will protect inmates who file litigation in good faith.

Finally, your Committee is also concerned that the definition of a vexatious litigant may bar certain groups such as environmentalists or Native Hawaiians from filing legitimate claims. It should be clarified that a vexatious litigant is a person and a plaintiff. Your Committee, therefore, has amended the measure by replacing "on the plaintiff's own behalf" with "in propria persona" which has been defined to mean "on the person's own behalf acting as plaintiff."

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1584, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1584, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Bainum, Cachola, Hirono, Oshiro and Takamine.

**SCRep. 1179                      Transportation on S.B. No. 5**

The purpose of this bill is to coordinate land use and development activities with transportation system development by:

- (1) Requiring that planning efforts for a statewide transportation system accommodate and be consistent with planned growth objectives throughout the State; and

- (2) Stipulating that it also be the State's policy to coordinate intergovernmental land use and transportation planning activities to ensure the timely delivery of supporting transportation infrastructure in order to accommodate traffic impacts of planned growth objectives.

Your Committee finds that transportation infrastructure must be planned and programmed to accommodate and support the needs generated by land use and economic development objectives. Intergovernmental coordination is vital to the timely delivery of infrastructure to support the land use plans of the State and Counties.

Your Committee has amended this bill by clarifying that it is the policy of this State to coordinate intergovernmental land use and transportation planning activities to ensure the timely delivery of supporting transportation infrastructure in order to accommodate planned growth objectives.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 5, 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. 5, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Hagino and Ward.

**SCRep. 1180 Consumer Protection and Commerce and Judiciary on S.B. No. 799**

The purpose of this bill is to provide attractive alternatives to traditional disciplinary actions against chemically dependent nurses. Specifically, this bill would:

- (1) Establish a voluntary diversion program for chemically dependent nurses to be administered and monitored by a professional association designated by the Board of Nursing (Board);
- (2) Authorize the Regulated Industries Complaints Office (RICO) and nurses to enter into compromise settlements regarding licensure penalties and fines, subject to approval and order of the Board and acceptance by the diversion program;
- (3) Require the names of nurses who fail to comply with the terms and conditions of the diversion program be referred to the Board's Executive Secretary and RICO within three days after the failure to comply become known to individuals charged with monitoring the nurse.
- (4) Provide civil immunity to any person, entity, professional association, peer assistance program, diversion program, or employer who, in good faith, reports information or takes action in connection with a diversion program or peer assistance program;
- (5) Clarify that persons, entities, or organizations that employ a chemically dependent nurse would be entitled to civil immunity while the nurse is a participant of a diversion program or peer assistance program, unless the employer has knowledge that the nurse is incapable of performing the job functions involved, or fails to take reasonable precautions to monitor the nurse's job performance;
- (6) Provide that chemically dependent nurses who comply with the terms and conditions of a diversion program would not be reported to the National Council of State Board of Nursing Data Bank unless sanctions against the nurse are taken; and
- (7) Clarify that all records of nurses participating in a peer assistance program pertaining to disciplinary action by the Board would be privileged and not subject to discovery or subpoena.

Testimony was submitted by the Department of Commerce and Consumer Affairs, the Department of Health, the Board of Nursing, the Hawaii Nurses' Association, and Kaiser Permanente.

In supporting this measure, the representative from the Hawaii Nurses' Association testified that the provisions of this bill, as received, contain compromise language discussed and agreed upon by the Board, RICO, and the Hawaii Nurses' Association, and that the purpose of this compromise was to allow RICO and the Board the opportunity to further investigate provisions related to the disciplinary process and the sealing of records.

While your Committees agree that the aforementioned compromise will enhance the provision of health care services to the consuming public, as well as ensure the welfare and safety of Hawaii's citizenry, your Committees have amended this bill as follows:

- (1) Required that the names of nurses who fail to comply with the terms and conditions of the diversion program be reported instead of referred to the proper authorities; and
- (2) Made technical, nonsubstantive revisions for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 799, S.D. 2, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 799, S.D. 2, H.D. 2.

Signed by all members of the Committees except Representatives Chun, Hiraki, Hirono, Oshiro, Peters, Takamine and Tom.

**SCRep. 1181****Judiciary on S.B. No. 1824**

The purpose of this bill is to amend Act 15, Session Laws of Hawaii 1988 (Act 15), by providing, inter alia, that the counties shall accept all public improvements installed by the housing finance and development corporation (the corporation) or an eligible developer initiated pursuant to Act 15. Additionally, the state agrees, in certain instances, to indemnify the counties for thirty years from any and all suits, subject to certain conditions. The state shall not indemnify the counties when the projects are built in compliance with the counties' standards. The corporation shall disclose in writing that the property was developed under the provisions of Act 15 and the corporation shall cause to be corrected all construction defects in the infrastructure and public facilities. The standards of the state or county, that were in force when the project was being developed, shall be the applicable standards for the project. Any lot, building, or structure included in the final plans of the project shall be deemed "Act 15 nonconforming." An Act 15 nonconforming lot, building or structure need not comply with certain county regulations. Finally, if any Act 15 nonconforming building or structure is destroyed, it may be reconstructed, subject to certain conditions.

The Housing Finance and Development Corporation, the City and County of Honolulu's Director of Land Utilization and the Department of Public Works, and the Council Chairperson of the Maui County Council submitted testimony in support of this measure.

Your Committee finds that the bill, as written, is defective. Section 2 of Act 15 states that this act shall be automatically repealed five years from the effective date of this act. The effective date of Act 15 is April 20, 1988. Act 15 is set to sunset on April 20, 1993. This bill is seeking to make amendments to an act (Act 15) that will no longer be in effect. Thus, this bill is a nullity.

Assuming that the Legislature were able to pass this bill prior to April 20, 1993, it would amend Act 15. But on April 20, 1993, the act and the amendments would cease to be law. On the other hand, assuming that the Legislature were unable to pass this bill prior to April 20, 1993, this bill would be seeking to amend a law that no longer exists. Therefore, your Committee finds that it would be inappropriate to pass this bill as drafted.

Your Committee finds that, despite the sunset of Act 15, there are housing projects, that were certified and developed under Act 15, that will continue to exist long after April 20, 1993. Your Committee desires to ensure the validity of these projects and to provide for these projects the certainty of their status as Act 15 projects. Thus, notwithstanding the repeal of Act 15, this bill, as amended, shall govern all housing projects that were certified and developed pursuant to Act 15.

Accordingly, your Committee has made the following amendments to this measure:

1. Added to this bill a purpose clause for this measure. It is your Committee's intent that this measure shall be valid and effective, notwithstanding the repeal of Act 15;
2. Redrafted this measure such that there are no amendments to Act 15, since that act will sunset on April 20, 1993. Your Committee has amended this act so that it will stand alone as law and remain in effect, despite the repeal of Act 15; and
3. Deleted from this bill certain portions of section 2 of this measure that were meant to modify section 5 of Act 15 and section 205-4, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1824, 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. 1824, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Bunda, Hirono, Oshiro and Thielen.

**SCRep. 1182****Finance on S.B. No. 301**

The purpose of this bill is to transfer ten state-owned parcels of land located in Waiahole Valley, Oahu, from the Department of Land and Natural Resources (DLNR) to the Housing Finance Development Corporation (HFDC) for incorporation into the development of an agricultural park.

The Kahalu'u Neighborhood Board No. 29 and the Waiahole-Waikane Community Association submitted comments in strong support of this measure.

The DLNR submitted testimony opposing the transfer for the following reasons:

- (1) The measure is contrary to Act 27, SLH 1988, which mandated the conversion of qualified agricultural permits to long-term leases;
- (2) The HFDC could master plan the area to include the subject parcels without DLNR conveying fee simple title;
- (3) When the Hawaii Housing Authority acquired land in the Valley, the State parcels were not involved nor envisioned for incorporation into the Waiahole Agricultural Park;
- (4) HFDC would assess annual lease rents per acre which are approximately one-fifth of DLNR lease rents, and the loss of the annual lease rents will result in a substantial loss of revenue to DLNR; and

- (5) The conveyance to HFDC appears to be unnecessary and will incur substantial costs.

The HFDC submitted comments stating that it concurred with DLNR assessments that the transfer of these parcels from DLNR to HFDC and then back to DLNR will create extra paperwork and inevitable delays. However, the HFDC concluded that if the Legislature deems it desirable to transfer the ten lots to HFDC, the agency would not object to including it as part of its agricultural park project provided that no additional financial burden is placed on HFDC.

To continue further discussion, your Committee has amended this bill by:

- (1) Inserting a new effective date of January 1, 2000; and
- (2) Making technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 301, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 301, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Suzuki and Tajiri.

**SCRep. 1183 Finance on S.B. No. 355**

The purpose of this bill is to provide refunds to noncontributory members of the Employees' Retirement System who purchased service after June 30, 1984 and prior to July 1, 1989.

When the noncontributory plan was established in 1984, noncontributory members were able to purchase their previous membership service. The payment was nonrefundable. Act 141, Session Laws of Hawaii (SLH) 1990, enabled noncontributory members who purchased credited service after June 30, 1989, to receive a refund of their contributions, to be paid by December 31, 1990. However, members who purchased service prior to the enactment of Act 141, SLH 1990, have not yet been afforded the same benefit.

The Employees' Retirement System submitted testimony on this measure.

Your Committee has amended the measure by making technical, nonsubstantive amendments for purposes of style and clarity and to correct drafting errors.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 355, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 355, H.D. 1.

Signed by all members of the Committee except Representatives Alcon and Tajiri.

**SCRep. 1184 Finance on S.B. No. 652**

The purpose of this bill is to appropriate \$95,000 in each year of the fiscal biennium to implement low-input sustainable agriculture research, education, and demonstration projects by the Governor's Agriculture Coordinating Committee in cooperation with the Hawaii Farm Bureau Federation.

The Governor's Agriculture Coordinating Committee, the University of Hawaii College of Tropical Agriculture and Human Resources, the Natural Resources Defense Council, the Hawaii Farm Bureau Federation, the National Audubon Society, the Big Island Resource Conservation and Development Council, Environmental Planning Associates, Inc., the Hawaii Macadamia Nut Association, the Hawaii State Guava Association, members of Citizens for Jobs & Environment, Hawa'iki Permaculture Services, Aikane Nursery, the Hawaii Forest Industry Association, the Hawaii Avocado Association, Papaya Orchards of Hawaii, Inc., MacFarms of Hawaii, Inc., and a concerned landscape designer submitted comments in support of this measure.

The measure was amended by replacing the specific appropriation amounts with \$1 in each year of the fiscal biennium for purposes of continued discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 652, 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. 652, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Alcon.

**SCRep. 1185 Finance on S.B. No. 1397**

The purpose of this bill is to establish a Hawaii Statewide Trail and Access Program within the Department of Land and Natural Resources (DLNR) to carry out the purposes of the Hawaii Statewide Trail and Access System (Na Ala Hele), including the management, maintenance, and development of trails and accesses.

In addition, this bill requires the Hawaii Statewide Trail and Access Program to prepare an annual report for the Legislature regarding the amount of moneys accruing to the credit of the general fund from:



- (1) Taxes collected on non-highway recreational fuel, or 0.3 percent of the proceeds deposited into the State Highway Fund;
- (2) Federal grants;
- (3) Private contributions; and
- (4) Earnings on the investment of moneys from taxes collected on non-highway recreational fuel, or 0.3 percent of the proceeds deposited into the State Highway Fund, and from private contributions.

Your Committee received supporting testimony from DLNR, which indicated that this bill would allow DLNR to apply for federal funding under the National Recreational Trails Fund Act (Act), which was passed by Congress in 1991. According to DLNR, Hawaii's allocation from the federal government for 1993 would be approximately \$70,000, which has the potential of reaching \$280,000 if Congress appropriates the maximum amount stipulated in the Act.

The Department of Taxation stated that it had no opposition to the bill. Your Committee also received written comments from the Tax Foundation of Hawaii.

To receive federal funding for trail programs, federal law stipulates that states must have a Statewide Advisory Trail Council that represents both motorized and nonmotorized recreational trail users. Federal law also stipulates that state legislation must be enacted that reserves a reasonable estimation of the revenues received from taxes on fuel used in off-road recreational activities for use in providing and maintaining recreational trails. In addition, DLNR testimony states that federal legislation specifies that states have until December, 1994, to enact legislation to be eligible for the federal funds.

Your Committee has amended this bill by:

- (1) Amending Section 198D-8, Hawaii Revised Statutes, for consistency purposes;
- (2) Adding an effective date of July 1, 1993; and
- (3) Making other technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1397, 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. 1397, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Nekoba.

**SCRep. 1186 Finance on S.B. No. 1647**

The purpose of this bill is to reassign the chief election officer function from the Lieutenant Governor to an appointed Chief Election Officer.

Among other things, this bill would:

- (1) Establish an Office of Elections to provide support to the Chief Election Officer;
- (2) Establish an Elections Appointment Panel to select and appoint a Chief Election Officer;
- (3) Require the Elections Appointment Panel to consist of five members--with the Governor, the President of the Senate, the Speaker of the House of Representatives, the minority party of the Senate, and the minority party of the House of Representatives, selecting one member each;
- (4) Clarify that the Chief Election Officer be appointed without regard to State civil service laws or the advice and consent of the Senate for a four-year term beginning on February 1 of an odd-numbered year;
- (5) Require that that Chief Election Officer be a United States citizen, a resident of Hawaii, and a registered voter of the State;
- (6) Provide that the Chief Election Officer may be removed from office by the Governor, subject to the advice and consent of the House of Representatives;
- (7) Transfer the rights, powers, functions, and duties of the Elections Division of the Office of the Lieutenant Governor, including all officers and employees, to the Office of Elections effective June 30, 1994; and
- (8) Appropriate a blank amount for fiscal biennium 1993-1995 to be expended by the Office of the Lieutenant Governor.

Testimony in support of this measure was submitted by the Lieutenant Governor and Common Cause Hawaii.

The Lieutenant Governor explained that this bill is based on the recommendations of the Task Force established pursuant to H.C.R. No. 299, adopted by the 1992 Legislature, to examine the duties of the Lieutenant Governor. To ensure integrity, the Task Force recommended that the Chief Election Officer function be statutorily reassigned to an

appointed, rather than an elected official. This reassignment would eliminate the appearance of any conflict of interest that may arise by being assigned to an elected official such as the Lieutenant Governor.

Your Committee has amended this measure by making technical, nonsubstantive amendments to correct drafting errors.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1647, 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. 1647, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Marumoto and Ward.

**SCRep. 1187                      Finance on S.B. No. 1752**

The purpose of this bill is to establish a Corrections Population Management Commission (Commission) within the Department of Public Safety to develop mechanisms to prevent inmate populations from exceeding the capacity of the correctional facilities. This bill also appropriates \$83,882 for fiscal year 1993-1994, and \$72,782 for fiscal year 1994-1995, to hire Commission staff and otherwise carry out the purposes of the bill.

Testifying in support of the measure, the Department of Public Safety and the Department of the Attorney General stated that the establishment of the Commission will further the State's efforts to comply with the federal consent decree mandating basic improvements of the conditions at the Oahu Community Correctional Center and the Women's Community Correctional Center.

The City and County of Honolulu's Department of the Prosecuting Attorney expressed its intent to cooperate with the proposed Commission whenever possible, but emphasized, among other things, that prison overcrowding should not be a force driving either prosecutorial policies or judicial sentencing.

The American Civil Liberties Union (ACLU) supported the intent of this bill and suggested amendments. The ACLU stressed that the State will face additional litigation as appropriate inmate population levels are exceeded and conditions consequently deteriorate throughout the prison system. The ACLU felt the Commission would provide a forum allowing the branches of government to determine the significance of the inmate population problem and how their agencies' actions impact that problem.

Your Committee has amended this bill by making technical, nonsubstantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1752, 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. 1752, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Marumoto and Ward.

**SCRep. 1188                      Finance on S.B. No. 1724**

The purpose of this bill is to repeal the general excise tax exemption on gross income on proceeds received on investments in real property by an employee benefit plan.

The Department of Taxation submitted supportive testimony, stating, among other things, that by imposing the general excise tax equally on all taxpayers in the real property rental business, this measure corrects an inequitable tax advantage currently available only to employee benefit plans.

The Tax Foundation of Hawaii submitted comments.

While the discontinuance of this general excise tax exemption may be appropriate and fair, steps must be taken to ensure that renters and lessees of real property owned by employee benefit plans will not have to immediately absorb the cost of the new tax. This is of special concern with regard to renters and lessees under contracts that allow the owners to pass on the tax assessment.

Your Committee has therefore amended this bill by:

- (1) Clarifying that the general excise tax exemption does not apply to income received by employee benefit plans after June 30, 1993, from investments in real property in this State;
- (2) Further clarifying that any income from investments in real property in this State which is received by an employee benefit plan after June 30, 1993 under a contract executed prior to July 1, 1993, shall remain exempt from the general excise tax until the earlier of the following occurs:
  - (A) Until there is a renegotiation, renewal, or extension of the contract or income; or
  - (B) Until December 31, 1998; and
- (3) Making technical, nonsubstantive revisions for the purposes of clarity, style, and conformity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1724, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1724, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Nekoba, Suzuki and Tajiri.

**SCRep. 1189                      Finance on S.B. No. 1028**

The purpose of this bill is to support the efforts of native Hawaiians to establish a Hawaiian sovereign nation by facilitating:

- (1) The convening of a Hawaiian constitutional convention so that Hawaiians may discuss the forms of nationhood available in order to develop an organic document; and
- (2) The conduct of fair, impartial, and valid elections including:
  - (a) A referendum election;
  - (b) An election of constitutional convention delegates; and
  - (c) A ratification election;

of the Hawaiian people so they may select a form of nationhood to govern native Hawaiian lands, revenues, natural and cultural resources, and other matters relating to their self-determination and self-governance.

The Office of Hawaiian Affairs and the Department of Hawaiian Home Lands testified in support of this bill.

Technical, nonsubstantive amendments to this measure have been made for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1028, 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. 1028, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Marumoto.

**SCRep. 1190                      Finance on S.B. No. 1164**

The purpose of this bill is to allow the Board of Trustees of the Hawaii Public Employees Health Fund to appoint, by majority vote, an Administrator who shall be exempt from the provisions of the State civil service law, and paid within the salary range of an excluded managerial (EM) O8.

Testimony in support of this bill was submitted by the Administrator of the Hawaii Public Employees Health Fund and the Hawaii Government Employees Association.

Your Committee has made technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1164, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1164, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Nekoba.  
(Representatives Pepper and Tam voted no.)

**SCRep. 1191                      Finance on S.B. No. 1137**

The purpose of this bill is to allow the University of Hawaii to waive all tuition fees for 500 native Hawaiian or Hawaiian students to encourage Hawaiians to pursue a degree in education or study the Hawaiian language.

Testimony in support of this bill was submitted by the University of Hawaii, the Associated Students of the University of Hawaii (ASUH) at Manoa, and the Office of Hawaiian Affairs.

This measure was amended by:

- (1) Decreasing the number of tuition waivers from 500 to 10;
- (2) Including in the list of Hawaiian students who will be given first priority in the award of the tuition waivers, financially needy students and students participating in recruitment programs of the University;
- (3) Deleting the definition of "Native Hawaiian" and replacing it with the broader definition of "Hawaiian";
- (4) Deleting minimum academic requirements and provisions limiting the tuition waivers to eight semesters; and

- (5) Making technical, nonsubstantive revisions for purposes of style and clarity.

With these amendments, this measure now reflects the provisions of H.B. 1765, H.D. 2, which was passed out earlier by your Committee.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1137, 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. 1137, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Alcon.  
(Representative Ward voted no.)

**SCRep. 1192 Finance on S.B. No. 266**

The purpose of this bill is to establish the Center for Disability Studies at the University of Hawaii, and to appropriate funds for five faculty and two permanent support positions to serve as an administrative core for the Center.

More specifically, the Center for Disability Studies would:

- (1) Assist students who seek opportunities for interdisciplinary training in disability studies;
- (2) Offer interdisciplinary programs in disability studies for students, community practitioners, and professionals who desire further knowledge in career preparation;
- (3) Provide for career laddering opportunities;
- (4) Stimulate the development for new training opportunities;
- (5) Conduct basic and applied research and evaluation in disability studies;
- (6) Offer a setting of interdisciplinary faculty collaboration and training;
- (7) Increase interdisciplinary cooperation and collaboration across departments for extramural research and training grants; and
- (8) Provide a focus for interdisciplinary training, service, and technical assistance to the State and Pacific Basin.

Testimony in support of the bill was submitted by the State Planning Council on Developmental Disabilities, the Commission on Persons with Disabilities, the University of Hawaii Professional Assembly, the Community Advisory Committee of the University Affiliated Program, the Protection and Advocacy Agency of Hawaii, the Kapiolani Medical Center for Women and Children, Goodwill Industries of Honolulu, Inc., Project Po'ohala, the Hawaii Centers for Independent Living, the Association For Retarded Citizens of Kauai, the Brantley Center, Imua Rehab, the Arc of Maui, the Hawaii Early Intervention Coordinating Council, Winners at Work, the Learning Disabilities Association of Hawaii, and numerous concerned citizens.

Although supporting the overall intent of this measure, the University of Hawaii testified that it could not support any new proposals for funding not already included in the Board of Regents or the Executive budgets.

Your Committee has amended this measure by making technical, nonsubstantive amendments to correct drafting errors.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 266, 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. 266, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Marumoto and Ward.

**SCRep. 1193 Finance on S.B. No. 1027**

The purpose of this bill is to provide compensation for members of the Board of Trustees of the Office of Hawaiian Affairs.

This bill:

- (1) Establishes a salary commission to study and make recommendations for the salary of the Board members beginning in 1997;
- (2) Sets forth the annual salaries of \$37,000 for the Chairperson and \$32,000 for other Board members;
- (3) Includes Board members on the State's benefit program and provides them with a protocol allowance;
- (4) Provides for an audit of the Office of Hawaiian Affairs at least once every four years wherein the first audit report must be submitted to the Governor and the Legislature no later than January 15, 1997; and
- (5) Appropriates funds to carry out the purposes of this bill.

The Office of Hawaiian Affairs testified in support of this bill with suggested amendments.

Your Committee has amended this bill by:

- (1) Increasing the appropriation for each fiscal year from \$146,500 to \$293,000;
- (2) Specifying that the salaries shall be paid entirely from the twenty percent of all funds derived from the public land trust;
- (3) Specifying that the Board members are intended to be part-time employees;
- (4) Deleting the provision that would have repealed the audit requirement after the 1997 legislative session; and
- (5) Correcting certain technical and stylistic errors.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1027, 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. 1027, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Marumoto.

**SCRep. 1194            Finance on S.B. No. 1218**

The purpose of this bill is to authorize the Governor, in the event of a major natural disaster, to establish additional Natural Disaster Claims Commissions as may be needed in each county affected, to administer the provisions of the Tax Relief for Disaster Losses Law.

More specifically, this bill:

- (1) Further allows the Governor to appoint any person to a Claims Commission regardless of whether the person has an interest in a claim, is related to any claimant or is employed by, is an agent of, or is connected in business to any of the claimants, if the Governor determines that there is an insufficient number of persons on the Commission;
- (2) Includes a definition of "major natural disaster" for purposes of Chapter 234; and
- (3) Allows a Natural Disaster Claims Commission to utilize the services of a qualified appraiser.

Testimony in support of this measure was submitted by the Department of Taxation. The Tax Foundation of Hawaii submitted comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1218, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Marumoto and Ward.

**SCRep. 1195            Consumer Protection and Commerce on S.B. No. 802**

The purpose of this bill is to require that five of the six members of the State Board of Public Accountancy hold current permits to practice public accountancy and be in active practice.

Testimony in support of this bill was submitted by the State Board of Public Accountancy (Board) and the Hawaii Society of Certified Public Accountants.

Your Committee believes that members in active practice may be better able to effectively serve on the Board because of their knowledge of the actual practice of the profession, as well as their awareness of any changes or trends that may be occurring in the practice of public accountancy.

In light of this, your Committee believes that the provisions of this bill will enhance the competency of the Board, as well as work to ensure the welfare and safety of the consuming public.

Your Committee notes that this bill amends Subsection 466-4(a), Hawaii Revised Statutes (Subsection 466-4(a)). Act 204, Session Laws of 1992 (Act 204), provides for two versions of Subsection 466-4(a). The version which is currently in effect will remain effective until June 30, 1993. Effective July 1, 1993, Act 204 replaces the current version of Subsection 466-4(a) with new language.

Your Committee wishes to clarify that this bill amends that version of Subsection 466-4(a) which shall become effective July 1, 1993. This bill does not amend that version of Subsection 466-4(a) which remains in effect until June 30, 1993.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 802, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Cachola, Herkes, Hirono, Takamine and Thielen.

**SCRep. 1196 Consumer Protection and Commerce on S.B. No. 1381**

The purpose of this bill is to prohibit the licensing of real estate brokerage partnerships unless the brokerage is under the direct management of a general partner or employee who holds a real estate broker's license.

Supportive testimony was submitted by the Real Estate Commission.

Your Committee believes that the provisions of this bill will provide brokerage partnerships the flexibility to better serve the needs of consumers while ensuring the welfare and safety of the general public.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1381, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Cachola, Herkes, Hirono and Takamine.

**SCRep. 1197 Consumer Protection and Commerce on S.B. No. 122**

The purpose of the bill, as received by your Committee, is to continue regulation of osteopathic medicine under the Board of Osteopathic Examiners by removing provisions making Chapter 460, Board of Osteopathic Examiners, subject to repeal on December 31, 1993, and adding Chapter 460 to the list of those Chapters subject to repeal on December 31, 1999.

Testimony in support of this bill was received by the Board of Osteopathic Examiners and the State Auditor.

Your Committee finds that the continued regulation of the osteopathic profession is necessary to protect the health, welfare, and safety of consumers.

Although your Committee realizes that the intent of this bill was to implement the State Auditor's recommendations to the Legislature in Sunset Evaluation Update: Osteopathy (Report No. 92-24), your Committee believes that S.B. No. 122, S.D. 1, does not reflect the majority of those recommendations. In addition, the Standing Committee Report to the Senate Draft did not make reference to the substantive content of the original bill that had been amended by the Senate Committee.

Therefore, upon careful consideration your Committee has incorporated certain recommendations of the State Auditor into this bill by amending Chapter 460 to:

- 1) Replace references to the "National Board of Examiners for Osteopathic Physicians and Surgeons" with the organization's current name, "National Board of Osteopathic Medical Examiners;"
- 2) Clarify that the State's Board of Osteopathic Examiners (Board) may accept the Federation Licensing Examination (FLEX); and
- 3) Delete provisions allowing the Board to refuse to license an applicant or take disciplinary action against licensees, where there has been wilful betrayal of a professional secret.

Your Committee notes that although the FLEX examination will be discontinued as of December 1993, the Board is allowed to accept FLEX exam scores of persons who had taken the exam prior to 1993. In addition, your Committee deleted provisions relating to the betrayal of a professional secret as duplicative of Section Chapter 460-12(10), Hawaii Revised Statutes, which authorizes discipline for behavior contrary to the profession's standards of ethics.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 122, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 122, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Cachola, Herkes, Hirono, Takamine and Thielen.

**SCRep. 1198 Consumer Protection and Commerce on S.B. No. 130**

The purpose of this bill is to amend the Hawaii Regulatory Licensing Reform Act (Sunset Law) to reenact Chapter 453, Hawaii Revised Statutes, to extend regulation of physicians, physician assistants, and emergency medical service personnel until December 31, 1999. The bill also amends the law relating to the Board of Medical Examiners by reconstituting the membership of the Board to include a certified physician assistant and a certified mobile intensive care technician.

Your Committee finds that the bill implements the State Auditor's recommendations to the Legislature in the Sunset Evaluation Report: Medicine and Surgery (Report No.92-25).

Supportive testimony was submitted by the State Auditor, Hawaii State Primary Care Association, Calumet Development Services, Inc., Hawaii Academy of Physician Assistants, Hawaii Academy of Family Physicians, and other concerned individual professionals. The Hawaii Federation of Physicians and Dentists had opposition to the bill while the Board of Medical Examiners opposed only Section 3 of the bill.

Your Committee believes that there is a continuing need to regulate physicians, physician assistants, and emergency medical service personnel to protect the health, safety, and welfare of the public. If practiced incompetently, these occupations have a significant potential for harm to consumers.

Your Committee understands that the proposal to reconstitute the Board of Medical Examiners from nine to eleven members to include a physician assistant and emergency medical personnel was based on the State Auditor's report that the Board of Medical Examiner does not pay sufficient attention to these two groups. Your Committee acknowledges that it is important for medical leadership represented by physicians to be adequately exposed and apprised of the newest developments in the field of physician assistants and emergency medical personnel.

However, your Committee has learned that, though the health and welfare of the community is well served by input of the physician assistants and the emergency medical personnel, there is no need for permanent positions on the Board for these groups as the related issues arise on an intermittent basis. In addition, these particular health professionals do not have the expertise required to adequately judge the behavior of practitioners of medicine or to determine their licensing requirements.

Furthermore, your Committee finds that the Board of Medical Examiners, in order to increase its understanding of physician assistants, recently convened an auxiliary advising committee consisting of one licensed board member and representatives from the physician assistant community. The intent of the Board is to meet on a monthly basis and introduce their report at the Board's regular monthly meeting. It is believed that the Board would be able to effectuate its duties and render informed decisions based on input by the physician assistants' committee rather than have a physician assistant on the Board.

In keeping with the aforementioned findings, your Committee has amended this bill as follows:

- 1) Deleting Section 3 of the bill which reconstituted the Board of Medical Examiners;
- 2) Inserting a new section entitled the Physician Assistants' Auxiliary Advisory Committee. It is your Committee's intention to urge the Board of Medical Examiners to take an active role in addressing the issues and concerns of the Physician Assistants' Auxiliary Advisory Committee.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 130, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 130, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Herkes, Hiraki, Peters and Thielen.

**SCRep. 1199      Consumer Protection and Commerce on S.B. No. 1664**

The purpose of this bill is to strengthen the licensure requirements for acupuncturists. Specifically, this bill would require applicants to complete not less than one thousand five hundred hours of education and training in the following manner, prior to obtaining a license to practice acupuncture in the State:

- (1) At least two academic years (not less than six hundred hours) in a formal program in the science of acupuncture that results in the award of a diploma; and
- (2) One clinical year in an internship program supervised by a licensed acupuncturist, provided that nine hundred hours of the clinical internship program may be obtained from the institute or school awarding the certificate or diploma, or may be obtained under the supervision of a licensed acupuncturist not affiliated with an institute or school.

In supporting this measure, the Board of Acupuncture (Board) testified that the provisions of this bill are essentially the same as its companion measure--H.B. No. 1734, H.D. 1. However, the Board added that technical, nonsubstantive revisions that were made to H.B. No. 1734, H.D. 1, were not incorporated into this bill by the Senate.

In light of this, your Committee has amended this bill by making technical, nonsubstantive revisions to conform the provisions of this bill with H.B. No. 1734, H.D. 1.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1664, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1664, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Cachola, Herkes, Hirono and Takamine.



**SCRep. 1200 Consumer Protection and Commerce on S.B. No. 1489**

The purpose of this bill is to clarify the Uniform Land Sales Practices Act by eliminating a provision that legally obligates contractors who acquire an interest in subdivided lands to construct buildings on the lands within two years of acquiring that interest in order for the contractor to be exempted from regulatory oversight under Chapter 484, Hawaii Revised Statutes.

In supporting this measure, the Department of Commerce and Consumer Affairs (DCCA) testified that the provisions of this bill are essentially the same as its companion measure, H.B. No. 1635, H.D. 1. However, the DCCA representative added that two nonsubstantive revisions were made to the H.B. No. 1635, H.D. 1, version that were not likewise incorporated into this measure by the Senate.

In light of this, your Committee has amended this bill by making technical, nonsubstantive revisions to conform the provisions of this bill with H.B. No. 1635, H.D. 1.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1489, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1489, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Cachola, Herkes, Hirono, Takamine and Thielen.

**SCRep. 1201 Consumer Protection and Commerce on S.B. No. 191**

The purpose of this bill is to require that insurers treat a volunteer fire department the same as a county-operated fire department for the purpose of determining rates for liability insurance.

Supportive testimony was received from the Mayor of the County of Hawaii and volunteer firefighters.

Your Committee finds that volunteer firefighters provide a vital service to the public by providing protection against fire to communities without a county-operated fire station located nearby. Especially on the neighbor islands, where communities are spread out, and distances from essential public services are greater, the efforts of volunteer firefighters are crucial to protecting the lives and properties of residents.

Your Committee is aware that the County of Hawaii is working towards maintaining twenty four hour fire protection for its communities, and that to accomplish this goal, it relies on volunteer units trained and assisted by county fire department personnel. Your Committee believes that limiting the tort liability of volunteer firefighters and their trainers would enhance the County's ability to recruit personnel for these vital positions. Therefore, your Committee has amended this bill to reinsert provisions deleted from the bill's original version that limited the liability of volunteer firefighters and their trainers. Specifically, this bill has been amended as follows:

- (1) Provides that a volunteer firefighter who provides firefighting service in good faith shall not be subject to civil liability for the volunteer's acts or omissions, except where the volunteer has been grossly negligent, or acted or failed to act, in a wanton manner;
- (2) Provides that a trainer of a volunteer firefighter shall not be subject to civil liability for the acts or omissions of a trainee, nor be liable to a trainee for the trainer's acts or omissions, except where the trainer has been grossly negligent, or acted or failed to act, in a wanton manner; and
- (3) Makes technical, nonsubstantive revisions for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 191, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 191, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Cachola, Herkes, Hirono and Takamine.

**SCRep. 1202 Consumer Protection and Commerce on S.B. No. 125**

The purposes of this bill are to:

- (1) Remove from the sunset law the licensing fee and compensation provisions relating to bail bond agents;
- (2) Repeal provisions establishing licensing fees; and
- (3) Limit the compensation an agent can collect to a one-time fee, ranging from five to fifteen percent of the amount of the bond.

Testimony was received from the State Auditor, the Professional Bail Agents Association of Hawaii, and a bail bond agent.

Your Committee is in agreement with the State Auditor's recommendations that the bail bond laws in Chapter 804 relating to licensing fees and compensation be removed from the sunset law, and that the former provision be repealed.

However, your Committee does not agree with the Auditor's testimony that no agency regulates bail bond agents. Agents who post surety insurance bonds are subject to the licensing requirements of Chapter 431 as general insurance agents, and the rates charged for insurance bonds are regulated by the insurance laws.

While your Committee supports the imposition of a one-time, five to fifteen percent limitation on fees that can be collected as compensation for bond posting, it believes that exceptions to this limitation are warranted. For instance, rates charged for surety insurance bonds are regulated under Chapter 431, and should therefore, be exempt from the compensation limitation.

Further, the longer a bond is posted, the greater the risk assumed by the agent, due to the increased possibility that the person whose appearance is secured by the bond will flee or fail to appear in court. Therefore, agents who post bond in cases on appeal, or in cases which are still outstanding after one year, should be permitted to collect fees annually, subject to the requirements that the charge shall be prorated, and the percentage charged shall not exceed that charged during the first year.

Your Committee supports an increase in the minimum bond fee from ten dollars to one hundred dollars, since the latter amount represents ten percent of one thousand dollars, the minimum bail amount set in felony cases.

Finally, your Committee believes that maintaining high standards in the bail bond industry serves the public interest, and has, therefore, strengthened the requirements regarding the sufficiency of a surety.

Your Committee has amended this bill by:

- (1) Providing that no felon shall be sufficient surety;
- (2) Requiring that a surety posting an insurance bond meet the licensing requirements of chapter 431;
- (3) Providing for a minimum bond posting fee of one hundred dollars;
- (4) Providing exceptions to the one-time compensation limitation, which exceptions apply to surety insurance bonds and bonds posted in cases pending appeal or outstanding after one year;
- (5) Limiting on an annual basis the amount of fees that can be charged under the exceptions to compensation limits, and requiring that these annual fees be prorated;
- (6) Making technical, non-substantive revisions for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 125, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 125, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Cachola, Herkes, Hirono, Takamine and Thielen.

#### **SCRep. 1203      Consumer Protection and Commerce and Judiciary on S.B. No. 124**

The purposes of this bill, as received by your Committees, are to require petroleum refiners, jobbers, and distributors to post wholesale prices, allow pool buying by retailers, and prohibit refiners, jobbers, and distributors from selling petroleum products to retailers at higher prices than that charged to wholesalers, jobbers, or distributors.

Testimony on this bill was received from Chevron U.S.A., Aloha Petroleum, Ltd., Western States Petroleum Association and its Hawaii member firms, Chevron U.S.A. Inc., Shell Oil Company, Texaco, Inc., and Unocal Corporation. Testimony was also received from Hawaii Petroleum Marketers Association, Texaco Refining and Marketing, Inc., Unocal, Hawaii Division, BHP Petroleum Americas, Hawaii Automotive and Retail Gasoline Dealers Association, a professor of economics at the University of Hawaii, and several service station operators.

Your Committees recognize that while the bill intends to promote fair and competitive motor fuel pricing, a substantial amount of the testimony received indicated that the bill would, instead, have the effect of reducing or eliminating price competition, and raising gasoline prices for consumers. Federal and state legislation already prohibit discriminatory pricing that interferes with competition, and the price posting and pool buying provisions of the bill may violate anti-trust laws. Further, the pricing requirements of the bill would jeopardize the livelihood of jobbers and distributors.

Your Committees also received testimony supporting alternatives to the measures set forth in the bill and have substituted the provisions of the bill, as received, with the following provisions which:

1. Prohibit a manufacturer or jobber from operating a service station for the purpose of selling motor vehicle fuel at the retail level, unless they are already engaged in such an operation prior to the effective date of this Act;
2. Authorize the attorney general to bring a civil action to enforce the above-mentioned prohibition;

3. Establish a private cause of action for violation of the above-mentioned prohibition;
4. Provide for additional definitions in Section 486H-1;
5. Prohibit a manufacturer or jobber from opening any new direct operated service station or retail motor fuel outlet for the period beginning on the effective date of this Act and ending on July 31, 1994; and
6. Provide that beginning on August 1, 1994, there shall be two unbranded-owned retail service stations for every new manufacturer-owned retail service station.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 124, S.D. 1, as amended herein and recommend that it pass Second Reading in the form attached hereto as S.B. No. 124, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Herkes and Peters.  
(Representatives Amaral, Chun, Hiraki, Hirono and Thielen voted no.)

**SCRep. 1204 Consumer Protection and Commerce on S.B. No. 1665**

The purpose of this bill is to make various housekeeping amendments to State law pertaining to the regulation of pest control operators. Specifically, this bill would:

- (1) Repeal the definition of "fumigator" and clarify other definitions;
- (2) Establish requirements for an operator's license, which would include, among other things:
  - (A) Filing an application as prescribed by the Board;
  - (B) Possessing a history of honesty, truthfulness, financial integrity, and fair dealing;
  - (C) Being at least eighteen years of age;
  - (D) Satisfying the Board's examination and experience requirements;
  - (E) Being under the management of a licensed employee or operator if applicant is a partnership, joint venture, corporation or sole proprietorship;
  - (F) Submitting to the Board proof of workers' compensation insurance or authorization to act as a self-insurer; and
  - (G) Submitting to the Board proof of liability insurance;
- (3) Prohibit persons from serving as an officer, director, associate, partner, or responsible managing employee of a licensee if the person's license has been revoked, suspended, or nonrenewed, or if the person had knowledge of or participated in a prohibited act that caused the suspension or revocation of the person's partnership, corporation, firm, or association;
- (4) Set forth categories of pest control supervision requirements for fumigation; and
- (5) Expand the Board's jurisdiction over nonchemical pest control devices.

Testimony in support of this measure was submitted by the Pest Control Board.

This bill is a companion measure to H.B. No. 1735, H.D. 1, which was approved by your Committee earlier this session.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1665, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Cachola, Herkes, Hirono, Takamine and Thielen.

**SCRep. 1205 Consumer Protection and Commerce on S.B. No. 1708**

The purpose of this bill is to amend Chapter 464, Hawaii Revised Statutes (HRS), by lengthening the time period in which to restore a license from one to two years and by imposing penalties on corporations and copartnerships if they fail to comply with Section 464-12, HRS.

Supportive testimony was submitted by the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects, the Hawaii State Council of the American Institute of Architects, and members of the Hawaii Drafters Association.

Your Committee finds that every license expires on a biennium and currently, licenses which have expired may be restored within one year of the expiration date. Those who fail to restore their license within one year must reapply for licensure. Your Committee has learned that extending the time in which to renew an expired license to two years would greatly benefit those concerned since there have been instances in which the renewal notice was sent to an outdated address or mislaid by office staff. The penalty of retaking the licensing examination is too severe for such an oversight.

Furthermore, your Committee acknowledges that the intent of the provision on corporations and copartnerships is to establish penalties for those corporations and copartnerships who engage in architectural, engineering, land surveying, or landscape architectural work when they do not have a licensed person directly in charge of the work. While corporations or copartnerships are not licensed, they are regulated to a certain extent. Without disciplinary sanctions, it would be difficult to enforce this Section.

However, your Committee is aware of the concerns of the draftspersons who feel that this provision would have a devastating economic impact on the residential construction industry, require drafting firms to have an architect on their staff, and put drafting technicians out of work.

Your Committee understands that the draftspersons are a necessary resource for design professionals and provide needed services. Your Committee has learned that this bill would not affect draftspersons in any way and that they would be able to continue providing their services in the same manner as in the past.

In view of the aforementioned findings, your Committee has further amended Section 464-14, HRS, by explicitly excluding persons, corporations, or copartnerships working on structures exempted by Section 464-13, HRS, from operation of this Section. It is the intent of your Committee that this provision will help to alleviate the concerns of the draftspersons.

Your Committee has further amended this bill by making technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1708, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1708, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Cachola, Herkes, Hirono and Takamine.

#### **SCRep. 1206                      Judiciary on S.B. No. 1316**

The purpose of this bill is to amend the Hawaii Penal Code so as to discourage the theft of agricultural equipment, supplies or products by subjecting violators to a class C felony.

The Board of Agriculture of the State of Hawaii and the Hawaii County Prosecuting Attorney testified in favor of this measure. The Office of the Public Defender opposed this bill.

Your Committee finds that the theft of agricultural equipment, supplies, or products (agricultural property) on the island of Hawaii has cost farmers approximately \$200,000 per year. These losses are expected to increase. Your Committee wishes to discourage this specific type of theft by making the theft of agricultural property a class C felony, subject to certain valuations of the property.

Your Committee believes that certain changes to this measure are necessary and it has amended this bill as follows:

1. Amended section 3 of the bill to specify that, in order to qualify for the offense of theft in the second degree, the value of the agricultural property stolen must exceed \$100 but it must not exceed \$20,000. Your Committee realizes that on occasion there are some children and adults who steal small amounts of fruits or vegetables. Your Committee did not want to subject these violators to a class C felony. Thus, your Committee has inserted language that the value of the agricultural property must exceed \$100 in order for the class C felony to be applicable. Therefore, violators who steal agricultural property valued at \$100 or less will be subject to a charge of theft in the fourth degree [section 708-833, Hawaii Revised Statutes (HRS)], which is a petty misdemeanor. Also, your Committee realizes that ordinarily the theft of property or services the value of which exceeds \$100 constitutes a theft in the third degree (section 708-832, HRS), which is a misdemeanor. However, your Committee has carved out an exception for the theft of agricultural property. Thus, the theft of agricultural property that exceeds \$100 (but not \$20,000) shall be treated as a class C felony and not a misdemeanor. Finally, your Committee put a cap of \$20,000 on the value of the theft of agricultural property for the class C felony. Your Committee believes that the theft of agricultural property that exceeds the value of \$20,000 should be treated as a class B felony under theft in the first degree (section 708-830.5, HRS);
2. Substituted the phrase "fenced, enclosed, or secured" for the phrase "fenced or enclosed" located in section 3 of the bill at section 708-831(1)(d), HRS. Your Committee believes that there are premises that are secured, although not fenced or enclosed, that should be entitled to the protection of this section. By "secured" your Committee means that the property has signs that are properly placed at intervals of not more than 1000 feet in accordance with section 708-831(1)(d), HRS, as amended by this Committee;

3. Added language that the sign or signs provided for in this section contain letters not less than two inches in height and shall be placed not less than 1000 feet apart along the boundary line of the land in such a way that the sign or signs are clearly noticeable from outside the boundary line; and
4. Changed the language in section 708-831(2), HRS, regarding the imposition of a minimum sentence of a fine of at least \$1,000 or twofold damages, from a mandatory fine to a discretionary fine by the court.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1316, 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. 1316, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Amaral, Herkes, Hirono, Oshiro, Peters and Takamine.

**SCRep. 1207                      Judiciary on S.B. No. 495**

The purpose of this bill is to allow the court to grant probation to a repeat offender who has only one prior felony or for those convicted of a Class A felony drug offense.

Testimony in support of this measure was submitted by the Department of Public Safety and the Office of the Public Defender. Opposing testimony was submitted by the Department of the Prosecuting Attorney of the City and County of Honolulu, the Department of the Prosecuting Attorney for the County of Maui, and the Police Department of the City and County of Honolulu. The Department of the Attorney General expressed reservations concerning the measure and the Judiciary took no position.

Your Committee believes that the public will be best served by the treatment, monitoring, and control of certain Class A drug offenders in a setting outside of prison. Given a particular defendant's unique circumstances and background, the sentencing judge should be permitted some discretion in evaluating all sentencing alternatives appropriate for those convicted of drug offenses. Your Committee believes that a longer probationary period should be required to ensure the public's best interests, in those unusual cases where probation is granted.

Accordingly, your Committee has amended this bill by:

- (1) Deleting most of the bill's probation provisions except for those provisions allowing probation for those Class A felons convicted under Chapter 712, Part IV of the Hawaii Penal Code;
- (2) Changing the terms of probation which allows five years upon conviction of any felony and one year for a misdemeanor to ten years upon conviction of a class A felony and five years for a Class B or C felony; and
- (3) Providing for indeterminate terms of imprisonment for Class A felons under Chapter 712, Part IV of the Penal Code except for sentencing involving the use of firearms in certain felony offenses or sentencing involving repeat offenders.

Technical, nonsubstantive amendments have been made for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 495, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 495, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda and Oshiro.  
(Representatives Amaral and Thielen voted no.)

**SCRep. 1208                      Water and Land Use Planning on S.B. No. 1608**

The purpose of this bill is to:

- (1) Allow the Director of Health to ensure the uninterrupted flow of electrical service and other necessary public services to the island of Hawaii; and
- (2) Expand the membership of the Natural Area Reserve System (NARS) Commission by adding a member from a hunting organization and a member from a hiking organization.

To ensure the voices of hunters and the community are heard, your Committee finds it necessary to increase the membership of the NARS Commission. This will create the necessary dialogue for striking a balance that will allow the community to continue certain activities and lifestyles while having the sensitivity for the environment.

Your Committee received testimonies from the Department of Business, Economic Development, and Tourism, the Nature Conservancy of Hawaii, the Department of Health, Hawaiian Electric Company, the Department of Land and Natural Resources, ILWU, Local 142, two members from the Wildlife Conservation Association of Hawaii, and a member from the hunting community.

The Department of Health testified that the House companion measure, H.B. No. 1797, H.D. 2, S.D. 1, contains the appropriate language to carry out the purposes of Part I of this bill. Therefore, your Committee has amended this bill by deleting Part I and by making technical, nonsubstantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1608, 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. 1608, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Kanoho, Tajiri and Thielen.

**SCRep. 1209                      Water and Land Use Planning and Energy and Environmental Protection on S.B. No. 405**

The purpose of this bill is to authorize any county to implement a gray water recycling program that would use gray water from residential units to irrigate lawns and gardens.

Your Committees find this bill to be consistent with the State's environmental policy, which calls for the conservation of natural resources and the recycling of waste water. With the water tables in each county decreasing, the use of gray water recycling will help alleviate some of the demand for water for the purposes of irrigation.

In testimony, the Department of Health stated that gray water may not be as heavily concentrated with pollutants as black water or normal domestic waste water, but still contains significant concentrations of organic and pathogenic pollutants.

Your Committees find in order to protect the public from health hazards and to minimize the impact on the environment, the Department of Health must first establish standards prior to approving any such recycling system.

Your Committees received testimonies from the City and County of Honolulu, the Department of Water Supply, County of Maui, Department of Health, and the University of Hawaii Water Resources Research Center.

As affirmed by the records of votes of the members of your Committees on Water and Land Use Planning and Energy and Environmental Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 405, S.D. 1, and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Hiraki, Hirono, Kanoho and Tajiri.

**SCRep. 1210                      Consumer Protection and Commerce on S.B. No. 1488**

The purpose of this bill is to require a motor vehicle repair dealer to employ a registered mechanic and to have adequate repair facilities before registration as a repair dealer will be approved by the Motor Vehicle Repair Industry Board. The bill also clarifies certain registration requirements.

Your Committee received testimony in support of this bill from the Motor Vehicle Repair Industry Board.

Upon careful consideration, your Committee has amended this bill by making technical, nonsubstantive revisions to correct drafting errors.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1488, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1488, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Cachola, Herkes, Hirono and Takamine.

**SCRep. 1211                      Finance on S.B. No. 154**

The purpose of this bill is to decriminalize all but the most serious traffic offenses, making them subject only to civil penalties such as fines and traffic points.

More specifically, this bill, among other things:

- (1) Allows drivers receiving a citation the following options:
  - (a) Paying the fine;
  - (b) Admitting to the infraction but requesting a hearing to explain mitigating circumstances; or
  - (c) Requesting an informal hearing to dispute the citation; and
- (2) Requires the Administrative Director of the Courts to prepare and submit to the Legislature:
  - (a) A complete feasibility plan to carry out the decriminalization process, at least twenty days before the convening of the Regular Session of 1994;



- (b) An annual status report at least twenty days before the convening of the Regular Sessions of 1995, 1996, 1997, and 1998; and
- (c) A final report at least twenty days before the convening of the Regular Session of 1999.

Your Committee received testimony in support of this bill from the Judiciary, the State Attorney General, and the Prosecutors and Police Chiefs of the City and County of Honolulu and the Counties of Hawaii, Kauai, and Maui.

The American Civil Liberties Union submitted testimony supporting the intent of the bill, but expressing concern over the constitutionality of the administrative hearing process set forth in the bill.

Your Committee has amended the bill by making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 154, 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. 154, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Marumoto and Ward.

**SCRep. 1212      Judiciary and Consumer Protection and Commerce on S.B. No. 937**

The purpose of bill is to amend the definition of credit card, in Section 708-800, Hawaii Revised Statutes (HRS), to include access device, telephone calling card number, credit card number, account number, and personal identification number.

The City and County of Honolulu's Police Department (HPD) testified in favor of this measure. The American Telephone and Telegraph Company (AT&T) and GTE Hawaiian Tel (GTE) testified in opposition to this bill in its present form. The Office of the Public Defender recommended a further amendment to this measure. Both AT&T and HPD testified in favor of the amendment recommended by the Office of the Public Defender.

Your Committees find that access devices, telephone calling card numbers, credit card numbers, account numbers, and personal identification numbers are different from credit cards. The inclusion of these items within the definition of a credit card does not accomplish the intent of the original legislation.

Your Committees believe that this bill inaccurately expands the definition of credit cards to encompass items that do not qualify as credit cards. For example, the AT&T calling card is technically not a credit card. It gives the holder access to a service and not to money. Also, credit cards are regulated by federal laws including Regulation Z. Regulation Z's requirements do not apply to telephone calling cards. Your Committees maintain that it is questionable whether this bill results in felony penalties for toll fraud involving telephone access devices, telephone calling card numbers, personal identification numbers, etc.

Your Committees agree with the amendments proposed by the Office of the Public Defender. Accordingly, your Committees have amended this measure as follows:

- (1) Deleted Section 1 of this bill, which expanded the definition of credit card;
- (2) Inserted a purpose clause into Section 1 of this bill;
- (3) Inserted a new Section 2 that amends Section 708-8202, HRS, to provide for a class C felony for certain offenses relating to the unlawful use of "access devices," that are defined to be any telephone calling card number, credit card number, account number, or personal identification number that can be used to obtain telephone service;
- (4) Inserted a new Section 3 that amends Section 708-8203, HRS, to provide for a misdemeanor for certain offenses relating to the unlawful use of "access devices," as defined herein; and
- (5) Re-numbered the existing Sections of this bill and made technical, nonsubstantive changes for purposes of style and clarity.

As affirmed by the records of votes of the members of your Committees on Judiciary and Consumer Protection and Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 937, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 937, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Herkes, Hiraki, Hirono, Peters and Takamine.

**SCRep. 1213      Judiciary and Consumer Protection and Commerce on S.B. No. 235**

The purpose of this bill is to extend the effective date from October 1, 1993 to October 1, 1995, for certain sections of Act 2, First Special Session Laws of Hawaii 1986. These sections relate to liability insurance rates, the limited abolition



of joint and several liability and the limitation on pain and suffering damages in certain tort actions. Also, this bill provides for the auditor to conduct a study to review the effects of tort reform in Hawaii.

The Hawaii Medical Association and the Hawaii Independent Insurance Agents Association submitted testimony in favor of this measure. Prior to hearing live testimony your Committees advised those attending that the Committees intended to amend this measure by deleting section 2 of the bill, relating to the auditor's study. Additionally, your Committees advised those attending that they intended to insert language into the bill from House Bill 1088 H.D. 1, relating to the abolition of joint and several liability. Your Committees requested that the persons testifying also address the proposed amendments.

The Department of the Attorney General, the Construction Industry Legislative Organization, Inc., and the Hawaii Insurer's Council testified in support of the proposed amendments. The Chamber of Commerce of Hawaii supported the amendments. Although the Chamber of Commerce of Hawaii preferred to have a study done, it stated that if the study would jeopardize the bill, then it had no objection to deleting the study. The Hawaii Academy of Plaintiffs' Attorneys testified in favor of the study but testified in opposition to the insertion of House Bill 1088 H.D.

Your Committees note that the Judiciary Committee previously voted favorably on H.B. 1088 H.D.1, that provides for a major readjustment in the area of joint and several liability. Unfortunately, that legislation failed to pass out of another Legislative committee. Your Committees wish to use this senate bill as a vehicle for that legislation.

Your Committees find that the present system of joint and several liability frequently leads to unfair and oppressive results. For example, if a Plaintiff is held to be 40% responsible for the Plaintiff's own injury, a defendant is held to be 59% responsible for the Plaintiff's injury, and a second defendant is held to be 1% responsible for the Plaintiff's injury, then under the present law the amount that the second defendant might have to pay to the Plaintiff depends solely upon the financial responsibility of the 59% defendant. In such a situation, the second defendant might pay 60% of the total amount for Plaintiff's injuries, even though the Plaintiff was forty times more responsible for the injury than was that defendant.

Such an anomalous result suggests that the concept of joint and several liability as presently applied fails the test of fundamental fairness to all parties. Yet, simply adopting a percentage, below which defendants will not be held jointly (but still severally) liable, only encourages collusion between defendants to try to lay blame upon the "judgment proof" defendant, who has nothing to lose.

Your Committees trust that a better solution can be found. A solution that upholds the concept of fairness. We recommend that as between an innocent plaintiff and a defendant who bears fault, public policy should favor the innocent injured plaintiff. However, we maintain that no defendant should be required to bear a disproportionate share of the judgment, when that defendant shoulders less blame than the plaintiff.

Your Committees believe the solution proposed in this bill represents a logical and consistent approach to the goal of fairness. Where a defendant's degree of fault is less than or equal to the degree of fault of the plaintiff, the defendant should be liable only for that percentage of the judgment assessed to that defendant. If the defendant's degree of fault is more than that of the plaintiff, public policy should weigh in favor of protecting the interests of the less blameworthy injured plaintiff, and the defendant should be held jointly and severally liable.

Your Committees maintain that the same concept should apply to the government, both as plaintiff or defendant. However, your Committees believe that it is appropriate, in very limited circumstances and because of the unique responsibilities of the government, to continue the practice of shielding the government from joint and several liability in certain highway cases, where the government has had no notice of a defect.

This measure is intended to be fair to the parties to the lawsuit, regardless of whether or not insurance is involved. Your Committees find that the measure before it injects the concept of fairness into a tort system that has been subjected to justifiable criticism in the past.

Your Committees have amended this measure as follows:

1. Deleted section 1 of this bill and inserted section 1 from House Bill 928 H.D. 1. Since the language from House Bill 1088 H.D. 1 affects the legislation found in sections 17 and 20 of Act 2, First Special Session Laws of Hawaii 1986 (Act 2), your Committees find that sections 17 and 20 of Act 2, should be permitted to expire. Additionally, your Committees also note that sections 2 to 7 of Act 2 relate to an insurance rate moratorium and should be extended for one year, pending a review at that time. Therefore your Committees have amended the bill by extending sections 2 to 7 of Act 2 for one year and allowing sections 17 and sections 20 to expire as scheduled on October 1, 1993. Thus, your Committees find that the language in the house bill (H.B. 928 H.D.1) is more appropriate for the purposes of this bill;
2. Deleted section 2 of the bill, wherein the auditor is to conduct a study to review the effects of tort reform in Hawaii. Your Committees are concerned that this measure provides no funds for this audit. The auditor cannot conduct a study without funds. If your Committees were to insert funds into the bill at this late date, it would jeopardize this measure;
3. Used this bill as a vehicle for House Bill 1088 H.D. 1, by inserting language from that bill into this measure; and
4. Made the effective date for sections 2 and 3 of this bill October 1, 1993, so that these sections would take over when sections 17 and 20 of Act 2 expire.

As affirmed by the records of votes of the members of your Committees on Judiciary and Consumer Protection and Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 235, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 235, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Herkes, Hiraki, Hirono, Peters and Takamine.

(Representatives Amaral and Thielen voted no.)

**SCRep. 1214                      Judiciary on S.B. No. 728**

The purpose of this bill is to amend chapter 128D, Hawaii Revised Statutes (HRS), which is Hawaii's environmental response law. This bill provides immunity from liability for responders to the release of petroleum products. Also, it provides that no state or county permit shall be required where the response is carried out in compliance with the National Contingency Plan or a federal or state on-scene coordinator. Additionally, this bill supplies definitions for "federal on-scene coordinator" and "state on-scene coordinator."

The Sierra Club testified in support of this measure. The Hawaii State Department of Health, the Hawaii Sugar Planters' Association, BHP Petroleum Americas (Hawaii) Inc., and the Marine Spill Response Corporation testified that they agree with the intent of the bill but opposed this bill as presently worded.

Your Committee believes that the present language of the bill, which narrows the scope of the spills from "hazardous substance or pollutant or contaminant" to "petroleum products," is unduly restrictive. Your Committee is aware of the Energy and Environmental Protection Committee's title concerns. However, your Committee believes that these concerns are misplaced. We note that the phrase "hazardous substance or pollutant or contaminant" is contained presently in section 128D-6(e), HRS. The fact that this bill referred to oil spills and made changes to section 128D-6(e), HRS, did not mandate that all of the existing wording in the section be changed to meet the title of the bill. Thus, your Committee believes that the phrase "hazardous substance or pollutant or contaminant" should be reinserted and substituted for the words "petroleum product."

Additionally, your Committee believes that, by making the responders liable for simple negligence, this measure will probably result in little or no response to the release of hazardous substances. Your Committee believes that the word "negligence" should be deleted from section 2 of the bill.

Your Committee has amended this bill as follows:

1. Deleted the brackets surrounding the phrase "hazardous substance or pollutant or contaminant" and deleted the underlined phrase "petroleum product" located on page 2 of section 2 of this measure. Your Committee believes that responders should be immune for liability concerning their response to the release of a hazardous substance or pollutant or contaminant and not just to the release of a petroleum product;
2. Deleted the word "negligence" from section 2 on page 2 of this measure. Your Committee finds that including the word negligence in this section would water down greatly the protections afforded to those rendering aid and responding to the release of a hazardous substance or pollutant or contaminant. Additionally, if the word negligence is allowed to remain in this section, your Committee believes that any responses to such releases would be greatly minimized;
3. Substituted the word "compliance" for the word "accordance" located in section 2 of the bill. Your Committee made this change for the purpose of consistency, since section 3 of the bill uses the term "compliance;" and
4. Added the following additional wording to section 3 of this bill: "or where such removal or remedial action is in response to a release of a hazardous substance or pollutant or contaminant that occurred in or on the coastal waters of the State and such removal or remedial action is carried out in compliance with this chapter ...." Your Committee was concerned that the present language in the bill may not be interpreted to permit remedial action on Hawaii's beaches, since the statute presently talks about removal or remedial action conducted "entirely on site" and the site of the spill may be on the State's coastal waters. Thus, your Committee felt that further explanation was needed. This language clarifies that no state or county permit shall be required for any removal or remedial action conducted in the state's coastal waters or on the seashore.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 728, 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. 728, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Bunda, Hirono, Oshiro and Thielen.

**SCRep. 1215                      Judiciary on S.B. No. 1363**

The purpose of this bill is to amend section 92F-14, Hawaii Revised Statutes (HRS), [the Uniform Information Practices Act (Modified)] to clarify what type of information, regarding employment-related misconduct, may be disclosed and when such disclosure may be made.

The University of Hawaii Professional Assembly, and the Hawaii Government Employees Association testified in support of this measure. The Society of Professional Journalists, the Code of Silence Broken, the Hawaii Green Party, Common Cause Hawaii and a concerned citizen testified in support of the intent of the bill but sought amendments to the bill. The Office of Information Practices (OIP) testified in support of the purpose of the bill but expressed reservations about the substance of the bill. OIP provided your Committee with a proposed draft of this bill that would be acceptable to it. The State of Hawaii Organization of Police Officers and a concerned citizen testified in opposition to this bill as drafted.

Your Committee finds that the current law regarding disclosure of public employee misconduct has led to confusion, uncertainty and controversy.

A balance needs to be drawn between the public's right to know about government functions and the public employee's right to privacy.

Your Committee notes that this measure appropriately distinguishes between minor and more serious misconduct by focusing on the disciplinary consequences, and protects the employee from the disclosure of information while formal grievance procedures are still in progress. Yet the bill also serves the public at large by refusing to provide further protection from disclosure of misconduct when the employee has exhausted non-judicial grievance procedures, and has been suspended or discharged.

Your Committee also finds that because of the unique responsibilities of police officers, special care must be taken to clearly delineate private conduct from conduct as a government employee.

For these reasons, your Committee has amended the bill to clarify the circumstances under which a police officer's conduct is a private matter. Other technical, nonsubstantive amendments have been made for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1363, 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. 1363, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Amaral, Herkes, Hirono, Oshiro, Peters and Takamine.

#### **SCRep. 1216            Finance on S.B. No. 952**

The purpose of this bill is to exempt from the general excise tax amounts attributed to a producer of agricultural products who sells products to a purchaser who will process the products outside the State.

The Department of Taxation submitted comments noting that at the present time, sales of sugarcane by sugarcane producers to C&H Sugar Company are exempt from general excise tax provisions. However, since C&H is being sold to a single owner, the exemption now granted to the sugarcane producers would not be applicable. The Department concluded that this measure would continue the general excise tax exemption for the sugarcane producers.

The Hawaiian Sugar Planters' Association testified in support of the measure. The Tax Foundation of Hawaii commented that the exemption in this measure would maintain the sugar industry at its current level, and is vital to the continued existence of the industry.

This measure has been amended by:

- (1) Changing the effective date to July 1, 1998, for purposes of continued discussion; and
- (2) Making technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 952, 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. 952, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Alcon and Tajiri.

#### **SCRep. 1217            Finance on S.B. No. 1593**

The purpose of this bill is to require the Department of Human Services to establish multidisciplinary teams and mandate their intervention in critical cases of child abuse and neglect.

Your Committee received testimony in support of this bill from the Department of Human Services, the Child Abuse & Neglect Secondary Prevention Advisory Committee, the Child Protection Team of West Hawaii, Kaiser Permanente, the Children's Multidisciplinary Child Protective Services Team at the Kapiolani Medical Center for Women and Children, the American Academy of Pediatrics, the State Federation of Business & Professional Women's Clubs, and a graduate student in the Social Work and Peace and Conflict Resolution programs at the University of Hawaii.

Upon consideration, your Committee has amended the bill by:

- (1) Changing a section title from "Multidisciplinary team services" to "Multidisciplinary teams";

- (2) Including a sound understanding of parenting skills among the qualities desired in multidisciplinary team members;
- (3) Clarifying that this bill does not confer State status on these teams; as a result, it does not allow these teams to circumvent the provisions of Chapter 42D; nor does it commit the Legislature to provide future funding for this program; and
- (4) Making other technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1593, 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. 1593, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Nekoba, Suzuki and Tajiri.

**SCRep. 1218 Finance on S.B. No. 1604**

The purpose of this bill is to develop a systematic approach to financing public educational facilities to ensure that Hawaii's public schools are constructed and renovated in a timely manner and are properly equipped.

This bill:

- (1) Requires the Superintendent of Education to review, evaluate, adopt, and implement strategies designed to close the facilities gap;
- (2) Establishes the Facilities Review Advisory Committee to assist the Superintendent of Education in developing and implementing strategies to address the facilities shortage;
- (3) Repeals the termination date for the State Educational Facilities Improvement Special Fund, and allows the Department of Education to use these funds to eliminate the difference between the facility needs of schools and available resources; and
- (4) Clarifies that allowable expenditures from this Special Fund include purchases of computers, telecommunication, and other technology-related equipment.

The DOE testified in support of this measure. Similarly, the Department of Taxation did not oppose this bill. The Department of Budget and Finance and the Tax Foundation of Hawaii submitted comments on this bill, and the Chamber of Commerce of Hawaii opposed this measure.

Upon further consideration, your Committee has amended this bill to:

- (1) Allow proceeds from the sale of general obligation bonds to meet the \$90,000,000 required to be deposited annually into this Special Fund;
- (2) Delete language that would have allowed expenditures from this Special Fund to be used for technology-related equipment; and
- (3) Make technical, nonsubstantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1604, 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. 1604, S.D. 3, H.D. 2.

Signed by all members of the Committee except Representatives Nekoba, Suzuki and Tajiri.

**SCRep. 1219 Finance on S.B. No. 1670**

The purpose of this bill is to transfer the responsibilities for the statewide coordination and development of literacy programs and the operations of the Governor's Council for Literacy and Lifelong Learning from the Governor's Office of Children and Youth to the State Public Library System.

Among other things, this bill:

- (1) Requires the establishment of the Literacy and Lifelong Learning Program with the Hawaii State Public Library System;
- (2) Establishes the Public-Private Partners for Literacy Trust Fund within the Hawaii Community Foundation to be used exclusively for family literacy programs; and
- (3) Requires the Board of Education, through the State Librarian, to:
  - (A) Coordinate and facilitate the activities of literacy service providers and literacy programs in the public, private, and volunteer sectors;

- (B) Serve as a clearinghouse for information relating to grants and other moneys available for literacy providers and programs, literacy services in the state, the measurable results of various literacy programs, and statistics and demographics concerning those individuals receiving and in need of literacy services; and
- (C) Develop public-private sector literacy partnerships with the assistance of the Governor's Council for Literacy and Lifelong Learning.

Your Committee received testimony in support of the bill from the State Librarian, the Governor's Office of Children and Youth, and the Department of Education.

Testifying in opposition to the bill, the President of the Librarians Association of Hawaii and a public librarian expressed concerns about the effect the bill might have on current library services, including literacy services.

Upon further consideration, your Committee has amended the bill by:

- (1) Clarifying that the Board of Education, through the State Librarian, will act as the lead agency in the Public-Private Partners for Literacy Trust Fund; and
- (2) Making other technical, nonsubstantive amendments for the purposes of clarity and consistency.

This bill is a companion measure to H.B. 1738, H.D. 2, which was reported out earlier by your Committee.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1670, 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. 1670, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Suzuki and Tajiri.

**SCRep. 1220      Consumer Protection and Commerce on S.B. No. 1632**

The purpose of this bill is to:

- (1) Specify that unless approved by the Real Estate Commission (Commission), no real estate broker's license shall be issued or changed to include the name, initials, or nickname of an unlicensed person; a licensed real estate salesperson; or a real estate broker not associated with the applicant; and
- (2) Require the placement of a real estate broker's license on an inactive status if the broker's name includes the name, initials, or nickname of an unlicensed person, a licensed real estate salesperson or a real estate broker who is no longer associated with the subject broker, or who is no longer a current active real estate licensee.

In recommending passage of this measure with technical, nonsubstantive revisions delineated in its testimony, the Commission noted that your Committee previously passed out companion bill, H.B. No. 2087, H.D. 1.

Your Committee has revised this measure by incorporating the Commission's recommendations and by making other technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1632, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1632, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Cachola, Herkes, Hirono and Takamine.

**SCRep. 1221      Consumer Protection and Commerce on S.B. No. 1666**

The purpose of this bill is to clarify State law pertaining to the regulation of pharmacists. Specifically, this bill would:

- (1) Allow the use of the nationally accepted title, "pharmacy intern" in place of "assistant";
- (2) Prohibit persons from practicing as a pharmacy intern without first obtaining a permit from the Board of Pharmacy (Board); and
- (3) Provide the Board with the statutory authority to adopt rules regarding the functions of a pharmacy intern, the application requirements to obtain a pharmacy intern permit, and the procedures for the immediate supervision of a pharmacy intern by a registered pharmacist.

In supporting this measure, the Board testified that the provisions of this bill are essentially the same as its companion measure--H.B. No. 1887, H.D. 1. However, the Board added that technical, nonsubstantive revisions were made to the H.B. No. 1887, H.D. 1 version that were not incorporated into this measure by the Senate.

In light of this, your Committee has amended this bill by making technical, nonsubstantive revisions to conform the provisions of this bill with H.B. No. 1887, H.D. 1.

Supportive testimony was also submitted by the Hawaii Pharmaceutical Association.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1666, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1666, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Cachola, Herkes, Hirono and Takamine.

**SCRep. 1222            Finance on S.B. No. 1564**

The purpose of this bill is to authorize the State Comptroller to issue warrants as an advance from the state treasury to provide working capital to the University of Hawaii.

Your Committee received testimony in support of the bill from the University of Hawaii.

Upon further consideration, your Committee has amended the bill by:

- (1) Adding a new section to extend to June 30, 1998, the provisions of Act 321, Session Laws of Hawaii 1986, as amended, which relates, among other things, to the following:
  - (A) The release, expenditure, and disbursement of University of Hawaii and Department of Education funds; and
  - (B) Exceptions to statutory competitive bidding requirements applicable to the University of Hawaii and the Board of Education; and
- (2) Making technical, nonsubstantive amendments for the purposes of consistency and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1564, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1564, H.D. 1.

Signed by all members of the Committee except Representatives Marumoto and Ward.

**SCRep. 1223            Finance on S.B. No. 1874**

The purpose of this bill is to facilitate the implementation of the Kaneohe Bay Master Plan developed pursuant to Act 208, Session Laws of Hawaii 1990. Specifically, this bill would:

- (1) Establish within the Department of Land and Natural Resources (DLNR) for administrative purposes, the Kaneohe Bay Regional Council (Council) to implement the Kaneohe Bay Master Plan, and perform various administrative, informational, and advisory duties with regard to Kaneohe Bay;
- (2) Instruct the Office of State Planning to convene a Kaneohe Bay Task Force in 1998 to evaluate the status and effectiveness of the activities undertaken by the Council; and
- (3) Appropriate a blank amount for fiscal year 1993-1994 to be expended by DLNR for the implementation of the foregoing substantive provisions.

DLNR testified that it did not support this measure, citing the impact this bill would have on its funding priorities as submitted in the Executive budget request.

This bill has been amended by making technical, nonsubstantive amendments for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1874, 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. 1874, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Alcon and Tajiri.

**SCRep. 1224            Finance on S.B. No. 1410**

The purpose of this bill is to protect Hawaii's people and economy from environmental degradation.

This bill would:

- (1) Finance all costs relating to oil release planning, prevention, preparedness, training, removal, remediation, education, research, and recycling by levying a tax on crude oil and petroleum products at a rate of six cents per barrel;
- (2) Provide funding for basic and advanced training for environmental health services personnel by earmarking various Department of Health fees for permits, licenses, and others into an Environmental Health Program Enhancement and Education Fund; and
- (3) Strengthen solid waste management efforts throughout the State by levying a solid waste management surcharge of 75 cents per ton of solid waste disposed at waste disposal facilities that would be deposited into an Environmental Management Special Fund.

The following agencies and organizations testified on this bill: the Department of Health; the Department of Business, Economic Development, and Tourism; the Department of Taxation; the United States Environmental Protection Agency, Region IX; the City and County of Honolulu's Department of Public Works; the County of Maui's Department of Public Works and Waste Management; the Tax Foundation of Hawaii; Sierra Club, Hawaii Chapter; the Association of Home Appliance Manufacturers; the Hawaii Food Industry Association; the Hawaii Automotive and Retail Gasoline Dealers Association; and Recycling Association of Hawaii.

Upon further consideration, your Committee has amended this bill by:

- (1) Amending Part I to:
  - (A) Impose an environmental response tax of six cents on each barrel of petroleum product sold by a distributor to any end user, other than a refiner, of petroleum product;
  - (B) Require the distributor of the petroleum product to pay the tax and to keep records of barrels of petroleum product sold; and
  - (C) Replace references to "registered taxpayers and marine terminal operators" with "distributors of petroleum products";
- (2) Amending Part III to reduce the solid waste management surcharge from 75 cents to 25 cents per ton of solid waste disposed at solid waste disposal facilities; and
- (3) Correcting certain typographic, technical, and stylistic errors throughout the bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1410, 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. 1410, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Nekoba, Suzuki and Tajiri.  
(Representative Ward voted no.)

**SCRep. 1225      Finance on S.B. No. 539**

The purpose of this bill is to continue the provision of human services to the people of Hawaii through the Family Center Demonstration Project (Project).

Specifically, this bill:

- (1) Extends the repeal date of the Project from July 1, 1993 to July 1, 1995;
- (2) Requires the Family Center Council to plan for the 1995 implementation of a permanent family center project;
- (3) Requires the above-referenced plan to include:
  - (a) Recommendations on the continuance of the Project;
  - (b) An administrative structure for the Project;
  - (c) A funding structure that integrates resources from the public and private sectors;
  - (d) The incorporation of training and community action;
  - (e) Technical assistance on the development of family centers;
  - (f) The Project's evaluation and assessment component;
  - (g) A structure to allocate resources to the family centers;
  - (h) A process to select sites for family centers; and
  - (i) A projected budget for the continuation or expansion of the Project;



- (4) Requires the Project's evaluation component to include information on the lessons learned from operating under family center concepts, and information as to whether the project has changed the human services system; and
- (5) Requires the Department of Human Services (DHS) to submit status reports to the Legislature twenty days prior to the convening of the Regular Sessions of 1993 and 1994, and a final report at least twenty days prior to the convening of the Regular Session of 1995.

Supportive testimony was submitted by the Department of Human Services; the Office of Youth Services; the Governor's Office of Children and Youth; the Hawaii State Employment Service JobHelp Store Program; the Kona Community School for Adults; Molokai General Hospital; Family Support Services of West Hawaii; the West Hawaii Family Center; the Hawaii Community Services Council; People Attentive to Children; the West Hawaii Healthy Mothers, Healthy Babies Coalition; the International Longshoremen's and Warehousemen's Union Local 142; various health care professionals and human service providers; and concerned citizens.

According to testimony submitted by DHS, additional time is needed to assess the lessons learned from the Project and the impact of the family center concept on existing human service systems. The DHS indicated that it has funds budgeted for the Project for the next fiscal biennium.

Your Committee has amended this bill by making technical, nonsubstantive revisions for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 539, 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. 539, S.D. 2, H.D. 2.

Signed by all members of the Committee.

**SCRep. 1226                      Finance on S.B. No. 1538**

The purpose of this bill is to establish guidelines for the Department of Health (DOH) to operate emergency medical ambulance services in a county through contract with a private company.

Among other things, this bill:

- (1) Requires DOH to contract with a private company to provide emergency medical ambulance services if a county does not apply to the DOH to operate its own services;
- (2) Requires DOH, after public notice, to solicit proposals from private companies for providing these services in a county;
- (3) Requires DOH to review and evaluate the personnel and qualifications of each private company submitting a proposal;
- (4) Specifies that the review and evaluation are to determine which companies have the capability and experience to deliver high quality services;
- (5) Requires DOH to award a contract to the qualified private company that submits the lowest responsive and responsible bid; and
- (6) Allows for negotiations if there is only one qualified company.

Your Committee recognizes that an important factor, along with high quality medical services, is the ability of emergency service providers to respond in a timely fashion. In some areas of the State, particularly in rural areas and parts of the Neighbor Islands, street signs, roadways, and other landmarks may be nonexistent or difficult to locate, thereby greatly hampering the ability of the emergency vehicle operator to arrive at the scene of emergency in an expedient and timely manner. To ensure prompt delivery of high quality medical services, emergency vehicle operators must be familiar with the locale they service.

The DOH supported this measure, with the provision that the requirement for submission of the listing of qualified personnel with bid proposals be eliminated from the bill. The Vice President of Operations of International Life Support (ILS), the owner-employees of ILS, and several private citizens also testified in support of the bill. Testimony in opposition to the bill was received from Mercy Ambulance Service Hawaii, Inc.

Upon further consideration, your Committee has amended this bill by:

- (1) Allowing, rather than requiring, that the proposals from private companies for providing ambulance services include a list of the managers, and trained and duly certified personnel who would perform the services; and
- (2) Making technical, nonsubstantive amendments to correct drafting errors and for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1538, 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. 1538, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Nekoba.

**SCRep. 1227            Finance on S.B. No. 1715**

The purposes of this bill are to:

- (1) Establish a four percent tax on hospital income, except income subject to general excise tax provisions;
- (2) Establish a six percent tax on nursing facility income;
- (3) Establish the Health Care Revolving Fund, into which will be deposited the revenue derived from the hospital and nursing facility tax; and
- (4) Require the Department of Human Services to submit reports to the Legislature prior to the 1994 and 1995 regular sessions regarding the status of implementation of the foregoing tax, as well as other information necessary to assess the impacts of the tax.

Testimony in support of the intent of this measure was received from the Department of Human Services, the Department of Taxation, the Hawaii Medical Service Association, Oahu Care Facility, the Hawaii Long Term Care Association, and the Queen's Health Systems.

The Hawaii Medical Association, the National Association of Retired Federal Employees in Hawaii, the Chairperson of the Legislative Committee of the Arcadia Retirement Residence, the Kokua Council for Senior Citizens, and several concerned citizens testified in opposition to this measure.

Written comments were submitted by the Tax Foundation of Hawaii and the Healthcare Association of Hawaii.

Upon further consideration, your Committee has amended this bill by:

- (1) Requiring each nursing facility operator to identify the hospital and nursing facility tax separately in all invoices or statements to persons whose payments result in nursing facility income; and
- (2) Clarifying that the amounts contributed by Medicaid beneficiaries toward their care shall not be changed as a result of the hospital and nursing facility tax.

Technical, nonsubstantive amendments have also been made for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1715, 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. 1715, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Chang, Tajiri and Marumoto.  
(Representatives Tam and Ward voted no.)

**SCRep. 1228            Finance on S.B. No. 1126**

The purpose of this bill is to add a new chapter governing public procurement by the State and the counties. Among other things, this bill:

- (1) Establishes a centralized means of administering the law and prescribe the powers and duties of a procurement policy board and chief procurement officer;
- (2) Sets forth source selection and contract formation; and
- (3) Prescribes penalties and provides remedies for violations of the law.

Testimony in support of this measure was submitted by the State Attorney General, Mercy Ambulance Service Hawaii, Inc., and concerned citizens. The Department of Finance of the City and County of Honolulu also submitted testimony in support of the intent and purpose of this measure but raised concerns that this bill may violate the constitutional provisions relating to "home rule." The Hawaii Public Broadcasting Authority submitted comments requesting that the Legislature not repeal Section 103-23.5, Hawaii Revised Statutes, relating to the Hawaii Public Broadcasting Authority.

The Department of Accounting and General Services (DAGS) testified in support of the intent of this measure. However, DAGS stated its preference for H.B. No. 2000, H.D. 1, which was reported out earlier by your Committee. DAGS also proposed some additional changes, including amending the campaign law to require political contributions to be returned to contributors who do non-bid business with the State.

Testimony in opposition to this measure was submitted by the Hawaii State Council of the American Institute of Architects, Consulting Engineers Council of Hawaii, the Construction Industry Legislative Organization, Inc., Hawaii Island Contractors' Association, the Hawaii Government Employees Association, professional engineers, and licensed architects. The Hawaii Society of Professional Engineers submitted testimony stating that the bill in its present form is flawed.

Upon careful consideration, your Committee has amended this bill by deleting the substance of this bill and inserting the contents of H.B. No. 2000, H.D. 1.

Among other things, this bill, as amended:

- (1) Establishes the Public Procurement Policy Council within DAGS to review all procurement concerns, policies, and practices; revise or develop new policies to implement the Hawaii Procurement Code (Code); recommend amendments to the Code; and adopt rules to govern the procurement of goods, services, and construction;
- (2) Establishes Internal Post-Audit Programs within the Executive Branch to audit, monitor, and investigate the implementation of the requirements and provisions of the Code;
- (3) Establishes the criteria and requirements for source selection and contract formation, including:
  - (a) Competitive sealed bids;
  - (b) Multi-step sealed bids;
  - (c) Competitive sealed proposals;
  - (d) Small purchases;
  - (e) Sole source procurements;
  - (f) Emergency procurements; and
  - (g) Competitive selection procedures for aesthetic, professional, and advisory services, and architect-engineer, landscape architect, and land surveying services;
- (4) Specifies certain goods, services, or construction that are exempted from the Code;
- (5) Provides legal and contractual remedies, including:
  - (a) Allowing aggrieved bidders, offerors, and contractors to protest in writing to the Comptroller or head of purchasing agency;
  - (b) Authorizing the Comptroller or head of purchasing agency, or designee to settle and resolve grievances and protests;
  - (c) Authorizing the Comptroller or head of purchasing agency to disbar or suspend a person for cause from consideration for award of all public contracts;
  - (d) Specifying causes for disbarment or suspension;
  - (e) Establishing remedies prior to award of contract and after award of contract; and
  - (f) Authorizing aggrieved party to apply for judicial review;
- (6) Establishes a temporary committee within DAGS to develop and draft all of the rules necessary to implement the provisions of the newly created chapter;
- (7) Requires the Comptroller to develop a comprehensive training and development program for procurement professionals;
- (8) Requires the Department of Personnel Services to draft or reclassify job descriptions in light of the provisions of the Code; and
- (9) Appropriates \$300,000 to be expended by DAGS:
  - (a) For a comprehensive training and development program for procurement professionals; and
  - (b) To carry out the general purposes contained in the bill.

Your Committee is in agreement with the Administration that there is perception by the public and the media regarding a perceived link between political contributions and the granting of nonbid, professional contracts by the State. In recent months, the media has reported on a number of questionable, nonbid contracts that were awarded by the State. These alleged improprieties occurred in the Executive Branch.

Your Committee states for the record that the Legislature has never been, and is not, involved in the selection or award of these contracts by the Administration. The Legislature's only role is to authorize or appropriate funds for public work projects, services, purchases, and other public purposes spent by the Administration. Rather, it is the Administration that decides who receives award of nonbid contracts.

While your Committee concurs with the Administration's concerns, your Committee is taken aback by the Administration's proposed amendment to put all elected officials in the same category as a means of addressing this problem, which is a problem that involves only the Executive Branch.

Moreover, your Committee is concerned that the proposed amendment creates an undue burden on those in the Legislative Branch and on those legislative candidates on how to obtain information regarding potential contributors who do nonbid business with the State Administration. Your Committee reiterates that the Legislature is not involved in awarding nonbid contracts.

Lastly, your Committee is concerned as to how the average citizen will be able to obtain information regarding potential contributors who do nonbid business with the State. Your Committee recognizes that the proposed amendment may have a dampening effect on citizen participation in the democratic process, and furthermore, may also discourage individuals from running for legislative office.

Upon careful consideration, your Committee has decided to incorporate DAGS' recommendation to amend the campaign spending law to require candidates to return political contributions to those who do non-bid business with the State, but to make it applicable only to gubernatorial and mayoral candidates.

Your Committee agrees that this bill, as amended, will help to:

- (1) Simplify, modernize, and clarify the law governing procurement by the State and counties to encourage competition, maximize use of public funds, and increase public confidence in the procurement procedure;
- (2) Ensure fair and equitable treatment of all persons who deal with the procurement system of the State and counties; and
- (3) Foster effective, broad-based competition within the free enterprise system, and provide safeguards for the maintenance of a procurement system that is of quality and integrity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1126, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1126, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Nekoba, Suzuki and Tajiri.  
(Representative Ward voted no.)

**SCRep. 1229                      Finance on S.B. No. 1672**

The purposes of this bill are to:

- (1) Change the interest rate on loans made under the Student Loan Assistance Program, from three percent simple interest to simple interest equal to the percentage rate charged under the federal Perkins Loan Program; and
- (2) Allow the University of Hawaii to charge late fees and reasonable costs for the collection of delinquent loans.

Testimony in support of the bill was submitted by the University of Hawaii.

Upon further consideration, your Committee has amended this measure by deleting the language that would make the simple interest of the Student Loan Assistance Program equal to the percentage rate charged under the federal Perkins Loan Program.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1672, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1672, H.D. 1.

Signed by all members of the Committee except Representative Nekoba.

**SCRep. 1230                      Finance on S.B. No. 1680**

The purposes of this bill are to:

- (1) Delete all provisions of Act 15, Session Laws of Hawaii, which would automatically repeal the Act five years from its effective date; and
- (2) Ensure that the State may continue to utilize the "fast track" provisions of Act 15 only for specific portions of the following three Housing Finance and Development Corporation (HFDC) projects--the Villages of Kapolei located in Ewa, Oahu; the Villages of Leiali'i located in Lahaina, Maui; and the Villages of La'i'opua located in Kealekele, Hawaii.

The Department of Land Utilization of the City and County of Honolulu, and the Maui Council Chair submitted testimony in opposition to any attempt to extend the life of Act 15. However, the Department and the Council Chair had no objections to allowing Act 15 projects already underway to continue under approvals already received under the Act.

The measure was amended by making technical, nonsubstantive revisions for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1680, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1680, S.D. 2, H.D. 3.

Signed by all members of the Committee except Representative Marumoto.

**SCRep. 1231                      Finance on S.B. No. 1063**

The purpose of this bill is to ensure the long-term economic stability of the Hamakua region on the Big Island that is currently suffering from the closure of operations by the Hamakua Sugar Company. This bill designates the lands within the North Hilo and Hamakua judicial districts, from Kaiaakea in the south to Waipio Valley in the north, as the Hamakua Community Development District. This designation authorizes the replanning, renewal, and redevelopment of the Hamakua region by the Hawaii Community Development Authority (HCDA).

The Department of Agriculture, a Hamakua Sugar Company employee, a Hilo Coast Processing Company employee, and a Puna resident all supported this bill. HCDA deferred to the Department of Business, Economic Development, and Tourism (DBEDT) on the appropriateness of having HCDA oversee the revitalization of the Hamakua community. DBEDT preferred the establishment of a separate rural development corporation instead of relying on HCDA.

Your Committee has amended this bill by:

- (1) Providing development guidance policies for the Hamakua community development district that are consistent with the values and the sense of community of Hamakua residents and in keeping with the rural character of the Hamakua coast;
- (2) Clarifying the quorum requirements of the Authority and requiring that on any matter relating solely to a specific community development district, only the county member from that community development district shall vote, and concurrence of a majority of the Authority membership shall be required; and
- (3) Making technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1063, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1063, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Kanoho, Tam, Marumoto and Ward.

**SCRep. 1232                      Finance on S.B. No. 871**

The purpose of this bill is to authorize the development of a convention center facility at either the "Ala Wai Gateway" site, or the "former Aloha Motors" site.

More specifically, this bill would:

- (1) Establish a Convention Center District in which a convention center would be built at either the "Ala Wai Gateway" site, or the "former Aloha Motors" site;
- (2) Provide that the convention center cover an unspecified minimum area, and have an unspecified minimum number of parking spaces;
- (3) Require the developer to deposit a \$5,000,000 performance guarantee into the Convention Center Revolving Fund for the commencement of construction by June 30, 1995; and
- (4) Extend the sunset date for approval of the developer's plan from June 30, 1994, to June 30, 1995.

Testimony in support of the measure was submitted by the Convention Center Authority, the Hawaii Business Roundtable, the Hawaii Hotel Association, the Hilton Hawaiian Village, and the Hilton Hotels Corporation. The Hawaii Convention Park Council and the Chamber of Commerce of Hawaii submitted testimony in support of the intent of this measure. Comments were also submitted by Spectacor Management Group and the Hawaii Visitors Bureau.

In addition, testimony specifically favoring the "Ala Wai Gateway" site was received from the Myers Corporation, ZHA Incorporated, C.I.M. Management Group, Ltd., Dolman Associates, Inc., and a large number of residents in the area which would be affected by this project.

Those submitting testimony expressly in favor of the "Aloha Motors" site include the Sukamto Holding Corporation and several concerned residents.

The Queen Emma Foundation, the Waikiki Residents Association, and the owners at Yacht Harbor Towers submitted testimony urging selection of the "Ala Wai Golf Course" site, as did two members of the community. The Waterfront Park in Kakaako was suggested as a location by a councilmember of the Honolulu City Council.

Testimony was submitted by the Neighbors of the Ala-Wai in opposition to any "super-block" project, while the testimony of the McCully-Moiliili Neighborhood Board and a concerned citizen opposed location of the convention center on the Ala Wai Golf Course.

Your Committee has amended this measure by making technical, nonsubstantive amendments to correct drafting errors.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 871, 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. 871, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Suzuki and Tajiri.

**SCRep. 1233      Finance on S.B. No. 1361**

The purpose of this bill is to regulate the transport and disposal of petroleum-contaminated soil.

Specifically, this bill would:

- (1) Require persons to obtain a permit from the Department of Health (DOH) prior to transporting petroleum-contaminated soil;
- (2) Authorize the Department of Health to regulate the disposal of petroleum-contaminated soil under the Integrated Solid Waste Management Law and the Solid Waste Pollution Law; and
- (3) Appropriate a blank amount for fiscal biennium 1993-1995 to be expended by the DOH to regulate the transport and disposal of petroleum-contaminated soil.

Supportive testimony was submitted by the Hawaii Chapter of the Sierra Club, the Hawaii State Chapter of the National Rainbow Coalition, Inc., and the Oahu Rainforest Action Group. In addition, voluminous testimony was submitted in support of this bill by concerned citizens.

In supporting the intent of this measure, the DOH testified that the prohibition of transportation of petroleum-contaminated soil without a permit may create a major problem in developing off-site clean-up facilities.

Upon careful consideration, your Committee has amended this bill to:

- (1) Clarify that no permit would be required for the transport of petroleum-contaminated soil to soil remediation sites as permitted by DOH; and
- (2) Make technical, nonsubstantive revisions for the purposes of clarity, conformity, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1361, 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. 1361, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Alcon and Tajiri.

**SCRep. 1234      Finance on S.B. No. 789**

The purpose of this bill is to change the general excise tax exemption for the development of affordable housing projects by:

- (1) Repealing the requirement that a private developer must fulfill an affordable housing requirement of the State Land Use Commission or a county land use decision-making body in order to be certified by the Housing Finance and Development Corporation for a tax exemption; and
- (2) Specifying that for projects involving the development of market-rate and affordable housing units, the exemption shall apply exclusively to the units developed as affordable housing units.

Testimony in support of this bill was submitted by the Housing Finance and Development Corporation, the City and County of Honolulu Department of Housing and Community Development, the Land Use Research Foundation of Hawaii, the Hawaii Association of Realtors, the Hawaii Developers' Council, and a concerned citizen. The Department of Taxation did not oppose this measure and the Tax Foundation of Hawaii submitted comments.

Upon further consideration, your Committee has amended this bill by making technical, nonsubstantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 789, 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. 789, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Suzuki and Tajiri.

**SCRep. 1235      Finance on S.B. No. 1744**

The purposes of this bill are to:

- (1) Designate the island of Kaho'olawe as an Island Reserve (Reserve) to be used solely and exclusively for:
  - (a) The preservation and practice of all rights customarily and traditionally exercised by Native Hawaiians for cultural, spiritual, and subsistence practices;
  - (b) The preservation and protection of its archaeological, historical, and environmental resources;
  - (c) Rehabilitation, revegetation, habitat restoration, and preservation; and
  - (d) Education;
- (2) Prohibit any commercial uses on Kaho'olawe;
- (3) Establish the Kaho'olawe Island Reserve Commission (Commission) to administer the Reserve, with the Department of Land and Natural Resources; and
- (4) Permit fishing in waters surrounding Kaho'olawe.

Testimony in support of this bill was submitted by the Office of Hawaiian Affairs and the Office of State Planning submitted comments. The Protect Kaho'olawe Ohana and a concerned individual presented verbal testimony.

Upon further consideration, your Committee has amended this bill by:

- (1) Decreasing the designated waters of the Kaho'olawe Island Reserve from three miles to two miles from the island shoreline;
- (2) Deleting the appropriation section of the bill, and therefore, amending the effective date of the bill, as appropriate; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1744, 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. 1744, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Kanoho, Marumoto and Ward.

**SCRep. 1236      Finance on S.B. No. 1709**

The purpose of this bill is to facilitate the workings of the Public Utilities Commission and the Consumer Advocate by:

- (1) Creating the Public Utilities Commission Special Fund and the Consumer Advocate Revolving Fund from which these agencies may finance their operations relating to public utilities regulation;
- (2) Specifying that costs and fees paid or collected in connection with the work of the Public Utilities Commission be deposited into the Public Utilities Commission Special Fund;
- (3) Increasing the percentage of the fee imposed on the gross income of public utilities from one-eighth of one percent to one-fourth of one percent; and
- (4) Appropriating \$500,000 to the Public Utilities Commission Special Fund.

Your Committee received testimony in favor of the intent of the bill, but with some suggested amendments, from the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, GTE Hawaiian Telephone Company, and Hawaiian Electric Company.

The Hawaii Transportation Association expressed concerns about the bill because the motor carrier industry is composed primarily of small businesses who would have difficulty shouldering the increased assessment required by the bill. The Public Utilities Commission submitted comments on the bill.

Upon further consideration, your Committee has amended the bill by:

- (1) Placing a cap of \$5 million on the Public Utilities Commission Special Fund;
- (2) Changing the Consumer Advocate Revolving Fund to the Consumer Advocacy Special Fund, and capping that Fund at \$3 million;
- (3) Specifying that forty percent of the moneys deposited into the Public Utilities Commission Special Fund shall be deposited into the Consumer Advocacy Special Fund;



- (4) Deleting the provisions pertaining to an increase of the gross income assessment for the motor carrier industry;
- (5) Allowing a public utility paying the additional gross income assessment specified by this bill to recover the additional portion with a surcharge;
- (6) Making an appropriation of \$500,000 to the Consumer Advocacy Special Fund, and requiring the Consumer Advocate to expend the general fund appropriations until sufficient amounts of special revenues are available in the Consumer Advocacy Special Fund; and
- (7) Making other technical, nonsubstantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1709, 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. 1709, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Suzuki and Tajiri.

**SCRep. 1237 Finance on S.B. No. 1905**

The purpose of this bill is to:

- (1) Expand the scope of the Department of Health's immunization and vaccination program to cover high risk and susceptible persons, especially children. The program currently services only indigent and medically indigent persons;
- (2) Expand the list of diseases against which inoculations must be provided, to include: measles, mumps, rubella, haemophilus influenza, hepatitis B, influenza, and pneumococcal disease; and
- (3) Appropriate an unspecified sum to the Department of Health (DOH) for the fiscal biennium for the foregoing vaccinations and immunizations.

Testimony in support of the measure was submitted by a unit of the American Cyanamid Company involved in the development and marketing of childhood vaccines; the Kokua Council for Senior Citizens; and two students from the University of Hawaii School of Nursing.

The DOH submitted testimony expressing strong support as well, but indicated its inability to take on added responsibilities which would require funds not allocated in the Executive Budget.

Written comments were submitted by Lederle-Praxis Biologicals.

Your Committee has amended this measure by:

- (1) Amending HRS Sections 431:10A-115.5, 431:10A-206.5 and 432:1-602.5 to:
  - (A) Exempt immunizations from any copayment provisions; and
  - (B) Add a definition of the term "prevailing medical standards" to mean the recommendations of the Immunizations Practices Advisory Committee of the U.S. Department of Health and Human Services, and the American Academy of Pediatrics; provided that in the event the recommendations of the Committee and the Academy differ, the Department of Health shall determine which recommendations shall apply;
- (2) Changing the effective date from July 1, 1993, to July 1, 1994; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1905, 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. 1905, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Kanoho, Marumoto and Ward.

**SCRep. 1238 Finance on S.B. No. 1529**

The purpose of this bill is to establish a public-private partnership in the form of the Hawaii Children's Trust Fund to support programs aimed at strengthening families by preventing child abuse and neglect.

Testimony in support of this bill was submitted by the Department of Education, the Mental Health Association in Hawai'i, the Hawaii Advocates for Children and Youth, the Hawaii Chapter of the American Academy of Pediatrics, and several concerned citizens. Your Committee also received testimony in support of this bill, with some suggested minor amendments, from the Hawai'i Children's Trust Fund Coalition, the Governor's Office of Children and Youth, the Child Abuse and Neglect Secondary Prevention Advisory Committee, and the Hawaii Community Foundation.

The Department of Health testified in support of the intent of the bill, but expressed concerns about the additional appropriation of funds in uncertain economic times.

Upon consideration, your Committee has amended the bill by:

- (1) Allowing the Department of Health to provide staffing assistance to the Hawaii Children's Trust Fund Board on a voluntary instead of a mandatory basis; and
- (2) Making extensive nonsubstantive amendments to correct technical drafting errors, and to enhance clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1529, 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. 1529, S.D. 1, H.D. 2.

Signed by all members of the Committee.

**SCRep. 1239 Finance on S.B. No. 1616**

The purpose of this bill is to restore the titles within the "sheriff" series by changing the "special services deputy" titles in the Department of Public Safety to "sheriff" and "deputy sheriff".

Act 211, Session Laws of Hawaii 1989, transferred the Office of the Sheriff and its security personnel from the Judiciary to the Department of Public Safety. The Act also replaced references to "sheriff", "deputy sheriff", and the "Office of the Sheriff" with references to the Director of Public Safety or the Department of Public Safety, as appropriate.

The use of titles within the "sheriff" series by personnel in the Division of Special Services of the Department of Public Safety has been prohibited by administrative directive of the Director of Public Safety despite the fact that law enforcement personnel in that division have been issued badges and commission cards which carry the designation of "deputy sheriff". There is concern, however, that the use of the title "special services deputy" has created confusion both within and without the department since similar titles are used for personnel in the Honolulu Police Department's Specialized Services Division and for state personnel in the Parking Control Branch of the Department of Accounting and General Services.

Proponents of this bill have noted that the duties and functions of the special services deputies are identical to those previously performed by "sheriffs" and "deputy sheriffs", and that the community is more familiar with the titles of "sheriff" and "deputy sheriff" and recognizes the uniform, badge, and insignia of the Office of the Sheriff. Your Committee believes that preservation of the titles in the "sheriff" series would serve the dual purpose of maintaining the public confidence and reviving the sense of heritage and honor to those who have served or are serving in those positions.

Testimony in support of this measure was submitted by the Hawaii Government Employees Association, the National Sheriffs' Association, off-duty special services deputies, and private citizens. The Department of Public Safety submitted testimony in opposition to the bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1616, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Marumoto and Ward.

**SCRep. 1240 Finance on S.B. No. 1863**

The purpose of this bill is to provide a funding mechanism that will enable the development of a convention center in the State.

Among other things, this bill:

- (1) Establishes the Convention Center Capital Special Fund (Special Fund), into which will be deposited:
  - (a) A portion of the general excise tax (GET) revenues realized through the operation of transient accommodations which are in excess of the amount realized for the 1991-1992 fiscal year;
  - (b) The State's five percent share of the TAT collections up to the 1991-1992 level; and
  - (c) Excess revenues from the transient accommodations tax (TAT) that cannot be distributed to the counties;
- (2) Requires moneys in the Special Fund to reimburse the general fund for debt service payments; and
- (3) Establishes the Convention Center Operations Revolving Fund (Operations Revolving Fund), to replace the Convention Center Development Revolving Fund, into which will be deposited revenues derived from the operations of the center, parking lots, concessions, and general fund appropriations, and which will be used to pay for the operation of the Convention Center.

Testimony in support of this bill was received from the Hawaii Convention Park Council, the Chamber of Commerce of Hawaii, the Visitor Industry Council of the Chamber of Commerce of Hawaii, Hilton Hawaiian Village, and Hilton Hotels Corporation. The Convention Center Authority testified in agreement with the intent of the bill.

Written comments were received from the Department of Budget and Finance, the Department of the Budget of the City and County of Honolulu, the Tax Foundation of Hawaii, and the Waikiki Improvement Association. Hawaii Hotel Association also submitted written comments and testified that the proposed formula in the bill is the basis for a solution in terms of financing a convention center.

Your Committee also received opposing testimony from the Department of Taxation (DOTAX), a Councilmember of the City and County of Honolulu, and the Chairperson of the Maui County Council. In its testimony, DOTAX indicated that the proposed financial plan for the development of the convention center will divert GET and TAT revenues from existing State programs, and given the current economic downturn, GET and TAT revenues should remain in the general fund.

Upon careful deliberation, your Committee has amended this bill by:

- (1) Increasing from five percent to twenty percent, the amount of TAT revenues to be deposited into the Special Fund; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1863, 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. 1863, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Suzuki and Tajiri.  
(Representative Ward voted no.)

#### **SCRep. 1241                      Judiciary on S.B. No. 831**

The purpose of this bill is to prohibit smoking in all group child care homes, group child care centers, and family child care homes during their hours of operation.

The prohibition of smoking in child care facilities will help ensure the overall health and well-being of Hawaii's children.

According to the Environmental Protection Agency (EPA), it has been found that environmental tobacco smoke (ETS) is a Class A carcinogen and has accounted for 150,000 to 300,000 serious respiratory cases in children each year. This classification places ETS in the same category as asbestos and other potent cancer-causing agents.

It has also been found that exposure to ETS increases the risk of bronchitis and pneumonia, asthma, and disturbances in the middle ear and lungs. Asthma remains the number one cause of school absenteeism in the United States and Hawaii has one of highest number of asthma cases per capita.

Testimony in support of this measure was submitted by the Office of Children and Youth, the Department of Health, the Department of Human Services, the Hawaii Chapter of the American Academy of Pediatrics, the American Cancer Society, the Interagency Council on Smoking and Health, the American Lung Association of Hawaii, the Hawaii Medical Association, the American Heart Association, and private citizens.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 831 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Bainum, Bunda, Oshiro, Peters and Takamine.

#### **SCRep. 1242                      Finance on S.B. No. 476**

The purpose of this bill is to provide additional death benefits to beneficiaries of public employees who die in service by providing new benefit options payable to a deceased member's surviving spouse, dependent children, or estate.

More specifically, if the member's designation of a beneficiary is void, or if the member did not designate a beneficiary, this bill allows the surviving spouse to:

- (1) An allowance if the member had at least ten years of credited service but was ineligible for retirement at the time of the death in service; or
- (2) An allowance if the member was eligible for retirement at the time of death in service; or
- (3) A benefit as specified under subsection (a)(1) and (2).

If there is no surviving spouse, then the bill would enable the deceased member's dependent children to receive the benefit. However, the benefit would be paid to the deceased member's estate if there is no surviving spouse or dependent children.

Further, this bill:

- (1) Permits noncontributory retirees to change their Option C beneficiary after retirement; and
- (2) Increases the death benefit from fifteen to thirty per cent of the member's average final compensation for noncontributory members who die on the job due to work-related accidents.

Testimony in support of the measure was submitted by the Employees' Retirement System, the Department of Education, and the Hawaii Government Employees Association.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 476, S.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tajiri.

**SCRep. 1243 Ocean Recreation and Marine Resources on H.C.R. No. 430**

The purpose of this House concurrent resolution is to request the Board of Land and Natural Resources to seriously consider the privatization of the Ala Wai Boat Harbor.

Your Committee on Ocean Recreation and Marine Resources has heard many complaints surrounding the operation of the Ala Wai Boat Harbor. Supportive testimony was heard from the Ala Wai Boat Harbor Advisory Committee, the Ala Wai Marina Clean-up Volunteers, and other concerned citizens. References to poor service, wasteful expenditure of funds, and a lack of adequate security were cited.

The Department of Land and Natural Resources testified in opposition to the concurrent resolution stating that privatization would result in an increase of fees without an increase in services. DLNR further stated that the claims of inadequate parking and boat slips were inaccurate. In addition, the Department felt that the majority of complaints were made from people who regularly take exception to DLNR requirements to comply with its rules.

Your Committee on Ocean Recreation and Marine Resources finds that there is definite discontent among the users and operators of the Ala Wai Boat Harbor. There appears to be many problems and too few solutions. The lack of responsibility and accountability on the part of the managers of the harbor has made many users eager to privatize the Ala Wai Small Boat Harbor.

Your Committee notes that all costs (administration, operation, maintenance, and construction) for each small boat harbor and boat ramp come from the Boating Special Fund. One harbor might be subsidizing the operations of another, yet the collective style of revenue management has left it difficult to determine the specific operational and financial problems for each individual harbor.

It is the concern of your Committee that while the privatization of the Ala Wai Boat Harbor might be helpful in resolving some of the problems surrounding this particular harbor, privatization is premature. Questions need to be answered on the revenue and service operations of all state-run small boat harbors and boat ramps before the issue of privatization is to be considered for any of these facilities.

Your Committee on Ocean Recreation and Marine Resources has amended this House concurrent resolution by changing its title to read, "REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO CONDUCT A COMPREHENSIVE STUDY ON THE REVENUE AND SERVICE OPERATIONS OF ALL STATE-RUN SMALL BOAT HARBORS AND BOAT RAMPS." It was agreed upon that an independent agency should conduct the study to maintain objectivity throughout the study.

Your Committee amended the concurrent resolution to reflect the new change in the title.

Your Committee has made technical, nonsubstantive amendments to this House concurrent resolution for the purposes of style, clarity, and grammatical accuracy.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 430, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 430, H.D. 1.

Signed by all members of the Committee except Representatives Amaral and Hirono.

**SCRep. 1244 Water and Land Use Planning on H.C.R. No. 9**

The purpose of this resolution is to request the Department of Land and Natural Resources to determine the feasibility of establishing a kupuna hale in Kahana Valley State Park for residents qualified to participate in the park's interpretive program.

The feasibility study will include, but not be limited to:

- (1) A survey of Kahana Valley residents;
- (2) A cost analysis; and
- (3) An analysis on any legal issues involved.

Your Committee received testimony from the Department of Land and Natural Resources.

The Department of Land and Natural Resources stated it would be premature to include an analysis of any legal issues at this time. Therefore, your Committee has amended this measure by deleting the aforementioned requirement from the study. Your Committee has also amended this measure to provide for a preliminary cost analysis.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 9, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 9, H.D. 1.

Signed by all members of the Committee except Representatives Kanoho, Tajiri and Thielen.

**SCRep. 1245                      Water and Land Use Planning and Agriculture on H.C.R. No. 452**

The purpose of this concurrent resolution is to request the appointment of a joint interim committee to examine issues relating to the protection of important agricultural lands within the State, with the overall goal to develop proposed legislation that fulfills the mandate of Article XI, Section 3, of the Constitution of the State of Hawaii. This concurrent resolution requests the appointment of the following standing committees: House Committee on Water and Land Use Planning; the House Committee on Agriculture; the Senate Committee on Planning, Land and Water Use Management; and the Senate Committee on Agriculture.

Your Committees received supporting testimony from the Department of Agriculture; the Office of State Planning (OSP); the Governor's Agriculture Coordinating Committee; the Hawaii County Council; the Agriculture Committee of the Hawaii Island Economic Development Board; and the Hawaii Farm Bureau Federation. OSP indicated that its comprehensive study and evaluation of the State land use regulation and management system (pursuant to Act 300, Session Laws of Hawaii 1992) will be submitted to the 1994 Legislature. Therefore, it encouraged the interim committee to complete its work by August, 1993, in order to permit its findings and guidance to be incorporated in OSP's study. The Hawaii County Council indicated that the only remaining LESA issue pertains to whether the marginal agricultural lands should remain under State jurisdiction or be placed under county control.

As affirmed by the records of votes of the members of your Committees on Water and Land Use Planning and Agriculture that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 452 and recommend that it be referred to the Committee on Legislative Management.

Signed by all members of the Committees except Representatives Bainum, Kanoho, Tam, Marumoto and Thielen.

**SCRep. 1246                      Consumer Protection and Commerce on H.C.R. No. 114**

The purpose of this concurrent resolution is to request the Insurance Commissioner, the Hawaii Insurance Bureau, and the property and casualty insurance industry to respond to the Legislature as to the effectiveness of the Hawaii Insurance Bureau's fire rating program.

According to testimony in support of this measure by the Hawaii Island Board of Realtors, Inc., fire protection classifications are applied arbitrarily by the insurance industry, and in many cases, appear to be assigned arbitrarily by the Hawaii Insurance Bureau.

In light of this, your Committee believes that the study requested in this concurrent resolution will assist the Legislature in making prudent decisions that will provide stability to the insurance industry, ensure that premium rates are based on the true risk of loss, and ultimately, serve the interests of both insurers and the consuming public.

In addition, the Representative of the Fourth District of the State of Hawaii submitted supportive testimony on this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 114 and recommends it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Herkes, Hiraki, Hirono, Peters and Takamine.

**SCRep. 1247                      Consumer Protection and Commerce on H.R. No. 111**

The purpose of this resolution is to request the Insurance Commissioner, the Hawaii Insurance Bureau, and the property and casualty insurance industry to respond to the Legislature as to the effectiveness of the Hawaii Insurance Bureau's fire rating program.

According to testimony in support of this measure by the Hawaii Island Board of Realtors, Inc., fire protection classifications are applied arbitrarily by the insurance industry, and in many cases, appear to be assigned arbitrarily by the Hawaii Insurance Bureau.

In light of this, your Committee believes that the study requested in this resolution will assist the Legislature in making prudent decisions that will provide stability to the insurance industry, ensure that premium rates are based on the true risk of loss, and ultimately, serve the interests of both insurers and the consuming public.

In addition, the Representative of the Fourth District of the State of Hawaii submitted supportive testimony on this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 111 and recommends it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Herkes, Hiraki, Hirono, Peters and Takamine.

**SCRep. 1248 Consumer Protection and Commerce on H.C.R. No. 361**

The purpose of this concurrent resolution is to request that the Public Utilities Commission review and evaluate the delivery of telecommunication services to the public in this State, and consider alternative methods of service delivery. Issues within the scope of the proposed study include:

1. Purchase of GTE Hawaiian Telephone Company by the State, and its operation by a State authority;
2. The delivery of telephone service through franchising; and
3. The state of the current telephone delivery system, and consideration of modifications thereto.

This concurrent resolution also requests that the Public Utilities Commission study and develop recommendations addressing the public's telecommunication needs in the next century, and review GTE Hawaiian Telephone Company's contributions to this State in the area of telecommunications employment.

Testimony on the concurrent resolution was received from the Public Utilities Commission (PUC), GTE Hawaiian Telephone Company (Hawaiian Telephone), and the International Brotherhood Of Electrical Workers, Telephone Local Union 1357.

Your Committee heard supportive testimony expressing concern about Hawaiian Telephone's recent reductions in its workforce, and the impact of these reductions on the company's employees, the community, and the delivery of telecommunication services.

The PUC testified before your Committee that pending and impending investigations being conducted by the Commission would address many of these and other issues raised by this concurrent resolution. The Commission is willing to submit to the Legislature prior to the convening of its next session, a copy of the findings and recommendations set forth in its final decisions and orders, or if the investigations are not completed, status reports on its proceedings.

In the PUC's first docket, the Commission is investigating Hawaiian Telephone's reorganization, including related personnel reductions, and its impact on the quality of present and future telephone service in the State. The Commission will open another docket shortly, investigating the State's telecommunications infrastructure, and in this capacity, will address the following issues: existing, emerging, and potential services; appropriate telecommunications policies and objectives; the telecommunications infrastructure required to support existing and emerging services; the resources required for this infrastructure; and the regulatory structure and the extent of regulation necessary for the various telecommunication services.

Although the PUC's investigations will address most of the issues raised in this concurrent resolution, the matter of State ownership and operation of telephone services falls outside the scope of their proceedings.

Your Committee believes that, except for the issue of State-operated telephone service delivery, the PUC is already or will soon be examining the issues raised by this concurrent resolution, and that requesting a separate, additional investigation of the Commission would be burdensome and duplicative. Accordingly, your Committee has amended this concurrent resolution by:

- (1) Deleting the issue of a State-owned and operated telephone system from the scope of the review to be undertaken by the PUC;
- (2) Requesting that the PUC report to the Legislature no later than twenty days prior to the convening of its 1994 Regular Session, either the findings and recommendations contained in its final orders and decisions, or the status of its dockets investigating the reorganization of Hawaiian Telephone, and the State's telecommunications infrastructure; and
- (3) Making technical, nonsubstantive revisions for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 361, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 361, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Hiraki, Oshiro, Peters and Tom.

**SCRep. 1249 Consumer Protection and Commerce on H.R. No. 334**

The purpose of this resolution is to request that the Public Utilities Commission review and evaluate the delivery of telecommunication services to the public in this State, and consider alternative methods of service delivery. Issues within the scope of the proposed study include:

1. Purchase of GTE Hawaiian Telephone Company by the State, and its operation by a State authority;
2. The delivery of telephone service through franchising; and
3. The state of the current telephone delivery system, and consideration of modifications thereto.

This resolution also requests that the Public Utilities Commission study and develop recommendations addressing the public's telecommunication needs in the next century, and review GTE Hawaiian Telephone Company's contributions to this State in the area of telecommunications employment.

Testimony on the resolution was received from the Public Utilities Commission (PUC), GTE Hawaiian Telephone Company (Hawaiian Telephone), and the International Brotherhood Of Electrical Workers, Telephone Local Union 1357.

Your Committee heard supportive testimony expressing concern about Hawaiian Telephone's recent reductions in its workforce, and the impact of these reductions on the company's employees, the community, and the delivery of telecommunication services.

The PUC testified before your Committee that pending and impending investigations being conducted by the Commission would address many of these and other issues raised by this resolution. The Commission is willing to submit to the Legislature prior to the convening of its next session, a copy of the findings and recommendations set forth in its final decisions and orders, or if the investigations are not completed, status reports on its proceedings.

In the PUC's first docket, the Commission is investigating Hawaiian Telephone's reorganization, including related personnel reductions, and its impact on the quality of present and future telephone service in the State. The Commission will open another docket shortly, investigating the State's telecommunications infrastructure, and in this capacity, will address the following issues: existing, emerging, and potential services; appropriate telecommunications policies and objectives; the telecommunications infrastructure required to support existing and emerging services; the resources required for this infrastructure; and the regulatory structure and the extent of regulation necessary for the various telecommunication services.

Although the PUC's investigations will address most of the issues raised in this resolution, the matter of State ownership and operation of telephone services falls outside the scope of their proceedings.

Your Committee believes that, except for the issue of State-operated telephone service delivery, the PUC is already or will soon be examining the issues raised by this resolution, and that requesting a separate, additional investigation of the Commission would be burdensome and duplicative. Accordingly, your Committee has amended this resolution by:

- (1) Deleting the issue of a State-owned and operated telephone system from the scope of the review to be undertaken by the PUC;
- (2) Requesting that the PUC report to the Legislature no later than twenty days prior to the convening of its 1994 Regular Session, either the findings and recommendations contained in its final orders and decisions, or the status of its dockets investigating the reorganization of Hawaiian Telephone, and the State's telecommunications infrastructure; and
- (3) Making technical, nonsubstantive revisions for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 334, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 334, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Hiraki, Oshiro, Peters and Tom.

**SCRep. 1250 Consumer Protection and Commerce on H.R. No. 369**

The purpose of this resolution is to study the problems and concerns of the car rental industry in Hawaii.

Supportive testimony was submitted by the President of CATRALA.

Your Committee finds that the resolution is to bring attention to the precarious position of the rental car industry brought on by external and internal forces, and to show that the rental car industry is inter-related to many industries and an integral part of the entire travel industry and the State of Hawaii.

While your Committee is in accord with the intent of this resolution, it feels that an interim committee composed of selected members of the Committee of Consumer Protection and Commerce appointed by the Speaker of the House of Representatives to study the problems and concerns of the car rental industry is not a feasible route to take. Your Committee notes that the members do not have the expertise to conduct such a study and are not privy to information on the car rental industry.



In light of this, your Committee has amended the resolution by:

- 1) Changing the title of the House Resolution to read: REQUESTING THE CAR AND TRUCK RENTING AND LEASING ASSOCIATION OF HAWAII (CATRALA) TO SUBMIT INFORMATION TO THE LEGISLATURE REGARDING THE CAR RENTAL INDUSTRY; and
- 2) Adding a last Whereas Clause to read: CATRALA represents a majority of the car rental industry; and
- 3) Requesting CATRALA to document the problems and concerns of the car rental industry and submit its findings to the Legislature prior to the 1994 Regular Session; and
- 4) Resolving that certified copies of the resolution be transmitted to the President of CATRALA, the Director of Business, Economic Development, and Tourism, and the Chair of the House Consumer Protection and Commerce Committee.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 369, as amended herein, and recommends that it be referred to the Committee on Legislative Management in the form attached hereto as H.R. No. 369, H.D. 1.

Signed by all members of the Committee except Representatives Amaral, Cachola, Herkes, Hirono, Menor and Takamine.

**SCRep. 1251 Intergovernmental Relations and International Affairs on H.R. No. 262**

The purpose of this resolution is to request the Hawaii State Association of Counties (HSAC) to conduct a study to determine the feasibility of transferring the disposition of parking violations from the Judiciary to the various counties.

Your Committee received testimony in favor of this measure from the Acting Administrative Director of the Judiciary, and a private citizen. Qualified support was submitted by the president of HSAC.

Your Committee finds that it may be time to revisit the issue of which agency should deal with traffic violations and it may be in the best interest of both the State and the counties to have HSAC undertake a feasibility study, as such a study may provide viable alternatives to the current system.

Because HSAC's staff changes on an annual basis, it would be difficult for them to meet the deadline currently stated. For that reason, your Committee has amended the requirement for reporting findings and recommendations to the Legislature from "twenty days prior to the convening of the Regular Session of 1994" to "prior to the convening of the Regular Session of 1994."

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 262, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 262, H.D. 1.

Signed by all members of the Committee except Representatives Alcon, Hagino and Ward.

**SCRep. 1252 Intergovernmental Relations and International Affairs on H.C.R. No. 266**

The purpose of this resolution is to request the Hawaii State Association of Counties (HSAC) to conduct a study to determine the feasibility of transferring the disposition of parking violations from the Judiciary to the various counties.

Your Committee received testimony in favor of this measure from the Acting Administrative Director of the Judiciary, and a private citizen. Qualified support was submitted by the president of HSAC.

Your Committee finds that it may be time to revisit the issue of which agency should deal with traffic violations and it may be in the best interest of both the State and the counties to have HSAC undertake a feasibility study, as such a study may provide viable alternatives to the current system.

Because HSAC's staff changes on an annual basis, it would be difficult for them to meet the deadline currently stated. For that reason, your Committee has amended the requirement for reporting findings and recommendations to the Legislature from "twenty days prior to the convening of the Regular Session of 1994" to "prior to the convening of the Regular Session of 1994."

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 266, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 266, H.D. 1.

Signed by all members of the Committee except Representatives Alcon, Hagino and Ward.

**SCRep. 1253 Health; Consumer Protection and Commerce; and Judiciary on H.R. No. 223**

The purpose of this resolution is to establish the Hawaii State Judiciary as the mediator for discussions on the issues of limited prescriptive authority for advance practice registered nurses.

This resolution designates the Director of the Center for Alternative Dispute Resolution of the Office of the Administrative Director of the Courts to facilitate such discussion through an objective process and allow representatives from various parties to participate in these discussions.

Testimonies received from the Department of Health, the Judiciary, the Hawaii Nurses Association, the Board of Nursing, HGEA, and Kaiser Permanente support the intent of this resolution.

Your Committees noted that prescriptive authority for advance practice registered nurses can be safe and effective if administered properly. It was further noted that forty-four other states have granted prescriptive authority to advance practice registered nurses and that in some states, the authority is much broader than that proposed in Hawaii.

It is realized by your Committees that although Hawaii proclaims itself to be on the cutting edge of health care reform, we are woefully behind the times in the utilization of advance practice nurses.

Opposition to this resolution was received from the Hawaii Federation of Physicians and Dentists and the Hawaii Medical Association. The point was made that, by giving prescriptive authority to nurses, quality of care will be compromised and the best interests of the consuming public will not be served.

After careful consideration, your Committees have amended the resolution by clarifying that the Judiciary will facilitate a discussion between the opposing groups and by requiring that the Judiciary will keep an equal number of participants representing both parties involved.

Further amendments were made to include HGEA, the Board of Medical Examiners, and the Hawaii Association of Family Practitioners among the participants in this discussion.

Your Committees also deleted language that erroneously stated that Hawaii had a shortage of qualified physicians, while inserting language specifying what the report made to the Legislature by the Judiciary shall provide.

As affirmed by the records of votes of the members of your Committees on Health and Consumer Protection and Commerce and Judiciary that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 223, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 223, H.D. 1.

Signed by all members of the Committees except Representatives Arakaki, Hiraki, Hirono, Ishii-Morikami, Menor, Peters and Takamine.

**SCRep. 1254      Health; Consumer Protection and Commerce; and Judiciary on H.C.R. No. 226**

The purpose of this concurrent resolution is to establish the Hawaii State Judiciary as the mediator for discussions on the issues of limited prescriptive authority for advance practice registered nurses.

This resolution designates the Director of the Center for Alternative Dispute Resolution of the Office of the Administrative Director of the Courts to facilitate such discussion through an objective process and allow representatives from various parties to participate in these discussions.

Testimonies received from the Department of Health, the Judiciary, the Hawaii Nurses Association, the Board of Nursing, HGEA, and Kaiser Permanente support the intent of this concurrent resolution.

Your Committees noted that prescriptive authority for advance practice registered nurses can be safe and effective if administered properly. It was further noted that forty-four other states have granted prescriptive authority to advance practice registered nurses and that in some states, the authority is much broader than that proposed in Hawaii.

It is realized by your Committees that although Hawaii proclaims itself to be on the cutting edge of health care reform, we are woefully behind the times in the utilization of advance practice nurses.

Opposition to this concurrent resolution was received from the Hawaii Federation of Physicians and Dentists and the Hawaii Medical Association. The point was made that, by giving prescriptive authority to nurses, quality of care will be compromised and the best interests of the consuming public will not be served.

After careful consideration, your Committees has amended the concurrent resolution by clarifying that the Judiciary will facilitate a discussion between the opposing groups and by requiring that the Judiciary will keep an equal number of participants representing both parties involved.

Further amendments were made to include HGEA, the Board of Medical Examiners, and the Hawaii Association of Family Practitioners among the participants in this discussion.

Your Committees also deleted language that erroneously stated that Hawaii had a shortage of qualified physicians, while inserting language specifying what the report made to the Legislature by the Judiciary shall provide.

As affirmed by the records of votes of the members of your Committees on Health and Consumer Protection and Commerce and Judiciary that are attached to this report, your Committees concur with the intent and purpose of H.C.R.

No. 226, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 226, H.D. 1.

Signed by all members of the Committees except Representatives Arakaki, Hiraki, Hirono, Ishii-Morikami, Menor, Peters and Takamine.

**SCRep. 1255                      Health and Labor and Public Employment on H.C.R. No. 449**

The purpose of this concurrent resolution is to request the Legislative Auditor to examine the organizational structure of the Department of Health.

Testimonies supporting the intent of this concurrent resolution were received from the Mental Health Association and the Department of Health (DOH).

Your Committees realize that systemic difficulties permeate every facet of the Department of Health's operations and that these difficulties cause unnecessary delays in services to clients. Further, the process that the DOH employees use to provide needed services to clients appears to be overlaid with bureaucratic rules and regulations thus impeding the system.

It was further noted by your Committees that the Department of Health has been attempting to reduce its inefficiencies and revamp its structure. It has been difficult, however, to eliminate already established entities within the Department.

After further consideration, your Committees have amended this concurrent resolution by adding language that would ask the Legislative Auditor to urge the Governor to establish a commission on government reorganization and efficiency.

As affirmed by the records of votes of the members of your Committees on Health and Labor and Public Employment that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 449, as amended herein, and recommend that it be referred to the Committee on Legislative Management in the form attached hereto as H.C.R. No. 449, H.D. 1.

Signed by all members of the Committees except Representatives Alcon, Kawakami, Nakasone and Ward.

**SCRep. 1256                      Health and Labor and Public Employment on H.R. No. 401**

The purpose of this resolution is to request the Legislative Auditor to examine the organizational structure of the Department of Health.

Testimonies supporting the intent of this resolution were received from the Mental Health Association and the Department of Health (DOH).

Your Committees realize that systemic difficulties permeate every facet of the Department of Health's operations and that these difficulties cause unnecessary delays in services to clients. Further, the process that the DOH employees use to provide needed services to clients appears to be overlaid with bureaucratic rules and regulations thus impeding the system.

It was further noted by your Committees that the Department of Health has been attempting to reduce its inefficiencies and revamp its structure. It has been difficult, however, to eliminate already established entities within the Department.

After further consideration, your Committees have amended this resolution by adding language that would ask the Legislative Auditor to urge the Governor to establish a commission on government reorganization and efficiency.

As affirmed by the records of votes of the members of your Committees on Health and Labor and Public Employment that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 401, as amended herein, and recommend that it be referred to the Committee on Legislative Management in the form attached hereto as H.R. No. 401, H.D. 1.

Signed by all members of the Committees except Representatives Alcon, Kawakami, Nakasone and Ward.

**SCRep. 1257                      Health on H.C.R. No. 448**

The purpose of this concurrent resolution is to request a study on the number of volunteer advisory boards that are administratively attached to the Department of Health.

Testimonies supporting the intent of this concurrent resolution were received from the Department of Health, the Hawaii Medical Association, the Hawaii State Alliance for the Mentally Ill and the Mental Health Association in Hawaii.

Your Committee recognized that the present arrangements for volunteer advisory boards attached to the Department of Health are confusing and inadequate. It was also noted that the advice of these boards are too often ignored by the Department of Health.

Further, your Committee realizes that as a result of these inadequacies, the delivery of mental health services suffers and the intended beneficiaries of the system and the tax payers are poorly served.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 448 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Kawakami.

**SCRep. 1258            Health on H.R. No. 400**

The purpose of this resolution is to request a study on the number of volunteer advisory boards that are administratively attached to the Department of Health.

Testimonies supporting the intent of this resolution were received from the Department of Health, the Hawaii Medical Association, the Hawaii State Alliance for the Mentally Ill, the Mental Health Association in Hawaii.

Your Committee recognized that the present arrangements for volunteer advisory boards attached to the Department of Health are confusing and inadequate. It was also noted that the advice of these boards are too often ignored by the Department of Health.

Further, your Committee realizes that as a result of these inadequacies, the delivery of mental health services suffers and the intended beneficiaries of the system and the tax payers are poorly served.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 400 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Kawakami.

**SCRep. 1259            Housing on H.C.R. No. 477**

The purpose of this concurrent resolution is to conduct a study of the housing finance and development mechanisms and programs of other states.

Your Committee heard supporting testimony from the Hawaii Developers' Council and the Hawaii Association of Realtors.

Your Committee has amended the concurrent resolution by making technical, nonsubstantive changes for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 477, 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. 477, H.D. 1.

Signed by all members of the Committee except Representatives Kawakami, Pepper and Peters.

**SCRep. 1260            Housing on H.R. No. 418**

The purpose of this resolution is to conduct a study of the housing finance and development mechanisms and programs of other states.

Your Committee heard supporting testimony from the Hawaii Developers' Council and the Hawaii Association of Realtors.

Your Committee has amended the resolution by making technical, nonsubstantive changes for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 418, as amended herein, and recommends that it be referred to the Committee on Legislative Management in the form attached hereto as H.R. No. 418, H.D. 1.

Signed by all members of the Committee except Representatives Kawakami, Pepper and Peters.

**SCRep. 1261            Housing on H.C.R. No. 476**

The purpose of this concurrent resolution is to study the role of non-profit organizations in the development of housing in Hawaii.

Your Committee is aware of the need to involve non-profit organizations in developing affordable housing in Hawaii and feels that more direction needs to be given to these organizations.

Supporting testimony was received from the University of Hawaii Real Estate Research and Education Center, the Housing Finance and Development Corporation, Affordable Housing Alliance, Honolulu Neighborhood Services, and a University of Hawaii graduate student.

Your Committee, upon further consideration, has amended the concurrent resolution by inserting names of non-profits organizations that the Legislative Reference Bureau shall work with in conducting this study and by making technical and nonsubstantive amendments for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 476, 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. 476, H.D. 1.

Signed by all members of the Committee except Representatives Kawakami, Pepper and Peters.

**SCRep. 1262            Housing on H.R. No. 419**

The purpose of this resolution is to study the role of non-profit organizations in the development of housing in Hawaii.

Your Committee is aware of the need to involve non-profit organizations in developing affordable housing in Hawaii and feels that more direction needs to be given to these organizations.

Supporting testimony was received from the University of Hawaii Real Estate Research and Education Center, the Housing Finance and Development Corporation, Affordable Housing Alliance, Honolulu Neighborhood Services, and a University of Hawaii graduate student.

Your Committee, upon further consideration, has amended the resolution by inserting names of non-profits organizations that the Legislative Reference Bureau shall work with in conducting this study and by making technical and nonsubstantive amendments for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 419, as amended herein, and recommends that it be referred to the Committee on Legislative Management in the form attached hereto as H.R. No. 419, H.D. 1.

Signed by all members of the Committee except Representatives Kawakami, Pepper and Peters.

**SCRep. 1263            Housing; Health; and Human Services on H.C.R. No. 305**

The purpose of this concurrent resolution is to develop a comprehensive broad spectrum plan to provide housing with appropriate services for homeless mentally ill persons.

Your Committee believes that coordination of mental health care with housing for people who are both homeless and mentally ill needs to be encouraged. Private and public health care providers need to work with other agencies such as the Housing Finance and Development Corporation, county planning and permitting departments, and other developers in order to provide much needed housing for the homeless mentally ill.

Supporting testimony on the intent of this concurrent resolution was heard from the Hawaii Housing Authority, Hawaii State Department of Health, Kalihi-Palama Health Clinic, Commission on Housing Oahu Alliance Mentally Ill, and the Mental Health Association in Hawaii.

Your Committee, upon careful consideration, has amended the concurrent resolution by:

- (1) Deleting "decisionally incompetent" throughout the context of the concurrent resolution;
- (2) Deleting the provisions of the plan and broadening the scope of the plan to include:
  - (a) Comprehensive broad spectrum short-term and long-term housing plans for mentally ill persons which include transitional shelters, residential treatment facilities, group boarding homes, semi-independent living, permanent housing, safe haven shelters, independent living, and single room occupancies;
  - (b) What services would be appropriate for the various housing plans including assessment/triage, crisis intervention, psychosocial rehabilitation, case management, residential support services, respite, and adult education;
  - (c) How these housing plans and services could be budgeted by re-allocation of state resources or funded through private and Federal grants;
  - (d) The number of beds which have already been developed to house mentally ill persons;
  - (e) The numbers of beds developed under the Robert Wood Johnson Grant and the level of care provided; and
  - (f) The number of beds which are in the planning stage for homeless mentally ill persons; and
- (3) Requesting the Director of Health to submit a preliminary report on progress made on the plans to the Legislature by September 15, 1993.

As affirmed by the records of votes of the members of your Committees on Housing and Health and Human Services that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 305, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 305, H.D. 1.

Signed by all members of the Committees except Representatives Arakaki, Peters and Okamura.

**SCRep. 1264                    Housing; Health; and Human Services on H.R. No. 295**

The purpose of this resolution is to develop a comprehensive broad spectrum plan to provide housing with appropriate services for homeless mentally ill persons.

Your Committee believes that coordination of mental health care with housing for people who are both homeless and mentally ill needs to be encouraged. Private and public health care providers need to work with other agencies such as the Housing Finance and Development Corporation, county planning and permitting departments, and other developers in order to provide much needed housing for the homeless mentally ill.

Supporting testimony on the intent of this resolution was heard from the Hawaii Housing Authority, Hawaii State Department of Health, Kalihi-Palama Health Clinic, Commission on Housing Oahu Alliance Mentally Ill, and the Mental Health Association in Hawaii.

Your Committee, upon careful consideration, has amended the resolution by:

- (1) Deleting "decisionally incompetent" throughout the context of the resolution;
- (2) Deleting the provisions of the plan and broadening the scope of the plan to include:
  - (a) Comprehensive broad spectrum short-term and long-term housing plans for mentally ill persons which include transitional shelters, residential treatment facilities, group boarding homes, semi-independent living, permanent housing, safe haven shelters, independent living, and single room occupancies;
  - (b) What services would be appropriate for the various housing plans including assessment/triage, crisis intervention, psychosocial rehabilitation, case management, residential support services, respite, and adult education;
  - (c) How these housing plans and services could be budgeted by re-allocation of state resources or funded through private and Federal grants;
  - (d) The number of beds which have already been developed to house mentally ill persons;
  - (e) The numbers of beds developed under the Robert Wood Johnson Grant and the level of care provided; and
  - (f) The number of beds which are in the planning stage for homeless mentally ill persons; and
- (3) Requesting the Director of Health to submit a preliminary report on progress made on the plans to the Legislature by September 15, 1993.

As affirmed by the records of votes of the members of your Committees on Housing and Health and Human Services that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 295, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 295, H.D. 1.

Signed by all members of the Committees except Representatives Arakaki, Peters and Okamura.

**SCRep. 1265                    Housing and Legislative Management on H.C.R. No. 399**

The purpose of this concurrent resolution is to request the Legislative Auditor to conduct a management and financial audit of the Housing Finance and Development Corporation (HFDC), and to request HFDC to cooperate with the State Auditor to facilitate the performance of the audit.

Your Committee heard testimony indicating a serious question about HFDC's efficiency, effectiveness, impact, and the appropriateness of its expenditures and budget.

Your Committee, upon careful consideration, has amended the resolution by removing the whereas clause pertaining to the efficiency, effectiveness, and impact of HFDC and has made technical, non-substantive amendments for the purpose of clarity and style.

As affirmed by the records of votes of the members of your Committees on Housing and Legislative Management that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 399, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 399, H.D. 1.

Signed by all members of the Committees except Representatives Ihara, Peters, Say, Souki and Thielen.

**SCRep. 1266 Hawaiian Affairs on H.C.R. No. 272**

The purpose of this concurrent resolution is to ensure that native Hawaiians are included in Native American entitlement programs provided by the federal government by requesting the President of the United States and the United States Congress to formally recognize native Hawaiians as Native Americans.

Testimony in support of this concurrent resolution was submitted by the Office of State Planning, the Office of Hawaiian Affairs, and the Kamehameha Schools/Bernice Pauahi Bishop Estate. Na Koa Ikaika opposed this measure.

Your Committee finds that:

- (1) Native Hawaiians are not Native Americans;
- (2) The term native Hawaiians excludes many Hawaiians with less than 50 percent Hawaiian blood; and
- (3) Hawaiians have grounds for a special political and legal relationship with the United States similar to that of native Americans.

Your Committee has amended this concurrent resolution to:

- (1) Change the title to request that the President and Congress of the United States formally recognize the special political relationship between the United States and the Hawaiian people;
- (2) Replace the term "native Hawaiians" with the term "Hawaiians";
- (3) Change the request from recognizing native Hawaiians as Native Americans to recognizing Hawaiians, the aboriginal, indigenous people of the Hawaiian Islands, as having a political and legal relationship with the United States and therefore being eligible for any entitlements provided by the federal government to Native Americans; and
- (4) Add the United States Secretary of the Department of Interior to the list of recipients of certified copies of this concurrent resolution.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 272, as amended herein, and recommends that it be referred to the Committee on Judiciary in the form attached hereto as H.C.R. No. 272, H.D. 1.

Signed by all members of the Committee.

**SCRep. 1267 Hawaiian Affairs and Higher Education and the Arts on H.R. No. 163**

The purpose of this resolution is to ensure the survival of the spoken Hawaiian language by urging the establishment of a Hawaiian immersion lab school at the University of Hawaii-Manoa to train teachers who are fluent in the Hawaiian language and to test new curriculum written in Hawaiian. This measure calls for the transfer of the existing Hawaiian language immersion program at Waiau Elementary School in Pearl City to serve as the Lab School.

The University of Hawaii (UH), the Office of Hawaiian Affairs, and Ahahui Olelo Hawaii, a statewide association created to perpetuate the Hawaiian language, supported this measure. A parent of three children attending the Waiau program testified that the primary needs of the program since its inception, have continued to be the development of more curriculum material and the training of qualified teachers.

Your Committees recognize the predicament that the Hawaiian language immersion program faces: it cannot expand unless two critical resources are provided: more curriculum material written in Hawaiian, and more qualified teachers who are fluent in the Hawaiian language. At the same time, over a hundred UH students are supposedly interested in pursuing careers in Hawaiian immersion education. The major problem is that these students have difficulty in traveling from the Manoa campus to Waiau Elementary School to acquire their teaching skills by observing and assisting in the classrooms.

Your Committees find that transferring the Waiau program to the UH-Manoa raises many practical questions that currently lack answers. More importantly, however, your Committees are not convinced that such a transfer is the most appropriate course of action to solve the existing problem. A more appropriate strategy would be to examine all alternatives before recommending a course of action.

Accordingly, your Committees have re-written this resolution to essentially request the Department of Education (DOE) and the UH to establish a task force to identify ways to increase the number of qualified teachers and expand the amount of curriculum material for the Hawaiian language immersion program.

Finally, the DOE needs to develop a comprehensive plan for the Hawaiian language immersion program that would address many of the concerns that members of your Committees expressed during the hearing, including: the DOE's overall commitment to this program; the program's need for curriculum material and qualified teachers and how the DOE proposes to provide them; a timetable for the expansion of the program and its related operating as well as capital costs; and the need for more information about the program's clientele such as the number of students interested in the program, where they reside, and so forth. For these reasons, your Committees urge the DOE to immediately develop such a plan that will help guide the program through its difficult, formative years.



As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Higher Education and the Arts that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 163, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 163, H.D. 1.

Signed by all members of the Committees except Representatives Duldulao, M. Ige, Ihara, Taniguchi and Yonamine.

**SCRep. 1268 Hawaiian Affairs and Higher Education and the Arts on H.C.R. No. 167**

The purpose of this concurrent resolution is to ensure the survival of the spoken Hawaiian language by urging the establishment of a Hawaiian immersion lab school at the University of Hawaii-Manoa to train teachers who are fluent in the Hawaiian language and to test new curriculum written in Hawaiian. This measure calls for the transfer of the existing Hawaiian language immersion program at Waiau Elementary School in Pearl City to serve as the Lab School.

The University of Hawaii (UH), the Office of Hawaiian Affairs, and Ahahui Olelo Hawaii, a statewide association created to perpetuate the Hawaiian language, supported this measure. A parent of three children attending the Waiau program testified that the primary needs of the program since its inception, have continued to be the development of more curriculum material and the lack training of qualified teachers.

Your Committees recognize the predicament that the Hawaiian language immersion program faces: it cannot expand unless two critical resources are provided: more curriculum material written in Hawaiian, and more qualified teachers who are fluent in the Hawaiian language. At the same time, over a hundred UH students are supposedly interested in pursuing careers in Hawaiian immersion education. The major problem is that these students have difficulty in traveling from the Manoa campus to Waiau Elementary School to acquire their teaching skills by observing and assisting in the classrooms.

Your Committees find that transferring the Waiau program to the UH-Manoa raises many practical questions that currently lack answers. More importantly, however, your Committees are not convinced that such a transfer is the most appropriate course of action to solve the existing problem. A more appropriate strategy would be to examine all alternatives before recommending a course of action.

Accordingly, your Committees have re-written this concurrent resolution to essentially request the Department of Education (DOE) and the UH to establish a task force to identify ways to increase the number of qualified teachers and expand the amount of curriculum material for the Hawaiian language immersion program.

Finally, the DOE needs to develop a comprehensive plan for the Hawaiian language immersion program that would address many of the concerns that members of your Committees expressed during the hearing, including: the DOE's overall commitment to this program; the program's need for curriculum material and qualified teachers and how the DOE proposes to provide them; a timetable for the expansion of the program and its related operating as well as capital costs; and the need for more information about the program's clientele such as the number of students interested in the program, where they reside, and so forth. For these reasons, your Committees urge the DOE to immediately develop such a plan that will help guide the program through its difficult, formative years.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Higher Education and the Arts that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 167, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 167, H.D. 1.

Signed by all members of the Committees except Representatives Duldulao, M. Ige, Ihara, Taniguchi and Yonamine.

**SCRep. 1269 Hawaiian Affairs on H.R. No. 270**

The purpose of this resolution is to ensure that native Hawaiians are included in Native American entitlement programs provided by the federal government by requesting the President of the United States and the United States Congress to formally recognize native Hawaiians as Native Americans.

Testimony in support of this resolution was submitted by the Office of State Planning, the Office of Hawaiian Affairs, and the Kamehameha Schools/Bernice Pauahi Bishop Estate. Na Koa Ikaika opposed this measure.

Your Committee finds that:

- (1) Native Hawaiians are not Native Americans;
- (2) The term native Hawaiians excludes many Hawaiians with less than 50 percent Hawaiian blood; and
- (3) Hawaiians have grounds for a special political and legal relationship with the United States similar to that of native Americans.

Your Committee has amended this resolution to:

- (1) Change the title to request that the President and Congress of the United States formally recognize the special political relationship between the United States and the Hawaiian people;
- (2) Replace the term "native Hawaiians" with the term "Hawaiians";
- (3) Change the request from recognizing native Hawaiians as Native Americans to recognizing Hawaiians, the aboriginal, indigenous people of the Hawaiian Islands, as having a political and legal relationship with the United States and therefore being eligible for any entitlements provided by the federal government to Native Americans; and
- (4) Add the United States Secretary of the Department of Interior to the list of recipients of certified copies of this resolution.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 270, as amended herein, and recommends that it be referred to the Committee on Judiciary in the form attached hereto as H.R. No. 270, H.D. 1.

Signed by all members of the Committee.

**SCRep. 1270 Hawaiian Affairs on H.C.R. No. 375**

The purpose of this concurrent resolution is to assist the Department of Hawaiian Home Lands in addressing the number and complexity of problems plaguing the Hawaiian Homes program by requesting DHHL to develop a plan and proposed budget for the acceleration of homestead awards.

Testimony in support of this concurrent resolution was submitted by DHHL and The Aged Hawaiian and The Have Nots.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 375 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 1271 Hawaiian Affairs on H.R. No. 342**

The purpose of this resolution is to assist the Department of Hawaiian Home Lands in addressing the number and complexity of problems plaguing the Hawaiian Homes program by requesting DHHL to develop a plan and proposed budget for the acceleration of homestead awards.

Testimony in support of this resolution was submitted by DHHL and The Aged Hawaiian and The Have Nots.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 342 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 1272 Hawaiian Affairs and Water and Land Use Planning on H.C.R. No. 161**

The purpose of this concurrent resolution is ensure that adequate amounts of water are reserved for the future use of Hawaiian homesteaders by requesting the Department of Hawaiian Home Lands (DHHL), the Department of Land and Natural Resources (DLNR), and the Commission on Water Resources Management report on the progress to date in fulfilling the duties mandated by Act 325, Session laws of Hawaii 1991.

Testimony in support of this concurrent resolution was submitted by DHHL and DLNR.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Water and Land Use Planning that are attached to this report, your Committees are in accord with the intent and purpose of H.C.R. No. 161 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Tajiri.

**SCRep. 1273 Hawaiian Affairs on Water and Land Use Planning on H.R. No. 159**

The purpose of this resolution is ensure that adequate amounts of water are reserved for the future use of Hawaiian homesteaders by requesting the Department of Hawaiian Home Lands (DHHL), the Department of Land and Natural Resources (DLNR), and the Commission on Water Resources Management report on the progress to date in fulfilling the duties mandated by Act 325, Session laws of Hawaii 1991.

Testimony in support of this resolution was submitted by DHHL and DLNR.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Water and Land Use Planning that are attached to this report, your Committees are in accord with the intent and purpose of H.R. No. 159 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Tajiri.

**SCRep. 1274      Hawaiian Affairs and Water and Land Use Planning on H.R. No. 394**

The purpose of this resolution is to ensure that a formal system for the transfer and recording information regarding any changes in the status of cultivated sugarcane lands and water licenses be implemented.

The Department of Hawaiian Home Lands and The Aged Hawaiians and The Have Nots strongly supported this resolution.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Water and Land Use Planning that are attached to this report, your Committees are in accord with the intent and purpose of H.R. No. 394 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Tajiri.

**SCRep. 1275      Hawaiian Affairs and Water and Land Use Planning on H.C.R. No. 442**

The purpose of this concurrent resolution is to ensure that a formal system for the transfer and recording information regarding any changes in the status of cultivated sugarcane lands and water licenses be implemented.

The Department of Hawaiian Home Lands and The Aged Hawaiians and The Have Nots strongly supported this concurrent resolution.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Water and Land Use Planning that are attached to this report, your Committees are in accord with the intent and purpose of H.C.R. No. 442 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Tajiri.

**SCRep. 1276      Hawaiian Affairs and Water and Land Use Planning on H.R. No. 87**

The purpose of this resolution is to ensure the the proper maintenance of the Ahuena Heiau, located in the Kamakahonu historic complex at Kailua Bay on the island of Hawaii, by requesting the Hawaii Historic Places Review Board to enter the Heiau into the Hawaii Register of Historic Places.

The Department of Land and Natural Resources, the Office of Hawaiian Affairs, The Aged Hawaiians and The Have Nots, the Oahu Council of the Association of Hawaiian Civic Clubs, HTH Corporation, and Ahuena Heiau, Inc. supported this measure.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Water and Land Use Planning that are attached to this report, your Committees are in accord with the intent and purpose of H.R. No. 87 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Tajiri.

**SCRep. 1277      Hawaiian Affairs and Water and Land Use Planning on H.C.R. No. 89**

The purpose of this concurrent resolution is to ensure the the proper maintenance of the Ahuena Heiau, located in the Kamakahonu historic complex at Kailua Bay on the island of Hawaii, by requesting the Hawaii Historic Places Review Board to enter the Heiau into the Hawaii Register of Historic Places.

The Department of Land and Natural Resources, the Office of Hawaiian Affairs, The Aged Hawaiians and The Have Nots, the Oahu Council of the Association of Hawaiian Civic Clubs, HTH Corporation, and Ahuena Heiau, Inc. supported this measure.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Water and Land Use Planning that are attached to this report, your Committees are in accord with the intent and purpose of H.C.R. No. 89 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Tajiri.

**SCRep. 1278      Tourism and Economic Development and Business Concerns on H.C.R. No. 231**

The purpose of this concurrent resolution is to request the Department of Business, Economic Development, and Tourism to coordinate visitor industry activities and promotions with the state information network.

Your Committees received testimony in support of this concurrent resolution from the Department of Business, Economic Development and Tourism, the Department of Budget and Finance, and the Hawaii Information Network Corporation.

Your Committees find that the state information network would serve as a fast, effective means for the distribution of information relating to promotions and other aspects of the visitor industry to interested parties on an international as well as a statewide scale.

Your Committees revised this concurrent resolution by:

1. Adding a paragraph describing numerous examples of the usefulness of the state information network to the visitor industry; and
2. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the records of votes of the members of your Committees on Tourism and Economic Development and Business Concerns that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 231, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 231, H.D. 1.

Signed by all members of the Committees except Representatives Chumbley, D. Ige, M. Ige, Lee and Tam.

**SCRep. 1279            Tourism and Legislative Management on H.R. No. 256**

The purpose of this resolution is to request a study of the feasibility of a campaign to promote Hawaii's visitor industry and agricultural products by the Legislative Reference Bureau.

Your Committees received testimony in support of this resolution from the Department of Business, Economic Development and Tourism, the Department of Agriculture, and the Hawaii Hotel Association.

Your Committees find that large numbers of visitors to Hawaii purchase agricultural products, such as macadamia nuts, Kona coffee and pineapple, demonstrating the potential for a successful coordinated agriculture-tourism promotion campaign.

Your Committees also find that the scope of the study of the contemplated campaign should be expanded to include the entire visitor industry, which consists of airlines, attractions, car rental agencies, retail stores and restaurants, in addition to hotels.

Your Committees revised the resolution by:

1. Expanding the scope of the study to include the entire visitor industry, rather than just hotels, and making an appropriate change to the title of this resolution; and
2. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the records of votes of the members of your Committees on Tourism and Legislative Management that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 256, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 256, H.D. 1.

Signed by all members of the Committees except Representatives Baker, Ihara, Say and Souki.

**SCRep. 1280            Tourism and Legislative Management on H.C.R. No. 260**

The purpose of this concurrent resolution is to request a study of the feasibility of a campaign to promote Hawaii's visitor industry and agricultural products by the Legislative Reference Bureau.

Your Committees received testimony in support of this concurrent resolution from the Department of Business, Economic Development and Tourism, the Department of Agriculture, and the Hawaii Hotel Association.

Your Committees find that large numbers of visitors to Hawaii purchase agricultural products, such as macadamia nuts, Kona coffee and pineapple, demonstrating the potential for a successful coordinated agriculture-tourism promotion campaign.

Your Committees also find that the scope of the study of the contemplated campaign should be expanded to include the entire visitor industry, which consists of airlines, attractions, car rental agencies, retail stores and restaurants, in addition to hotels.

Your Committees revised the concurrent resolution by:

1. Expanding the scope of the study to include the entire visitor industry, rather than just hotels, and making an appropriate change to the title of this concurrent resolution; and
2. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the records of votes of the members of your Committees on Tourism and Legislative Management that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 260, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 260, H.D. 1.

Signed by all members of the Committees except Representatives Baker, Ihara, Say and Souki.

**SCRep. 1281                      Tourism and Legislative Management on H.R. No. 281**

The purpose of this resolution is to request a management and financial audit of the Hawaii Visitors Bureau by the Legislative Auditor.

Your Committees received testimony in support of this resolution from Masters of Hawaii, and other testimony from the Department of Business, Economic Development and Tourism, and the Hawaii Visitors Bureau.

Your Committees find that the upcoming change in the leadership of the Hawaii Visitors Bureau provides an excellent opportunity for a management and financial audit in order to give a clear mandate for the future direction of the bureau.

In order to address concerns about the effectiveness of state tourism promotion efforts, the audit should include a measure of the effectiveness of HVB promotions.

Your Committees also find that the audit should include an evaluation of HVB efforts to solicit private funds and increase the number of member businesses. The audit should also include a look at coordination between the bureau, the Department of Business, Economic Development, and Tourism, and its advertising agency.

Your Committees revised the resolution by:

1. Adding a provision that the audit include an evaluation of HVB's effectiveness in complying with the recommendations of the 1987 audit; and
2. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the records of votes of the members of your Committees on Tourism and Legislative Management that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 281, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 281, H.D. 1.

Signed by all members of the Committees except Representatives Baker, Ihara, Say and Souki.

**SCRep. 1282                      Tourism and Legislative Management on H.C.R. No. 284**

The purpose of this concurrent resolution is to request a management and financial audit of the Hawaii Visitors Bureau by the Legislative Auditor.

Your Committees received testimony in support of this concurrent resolution from Masters of Hawaii, and other testimony from the Department of Business, Economic Development and Tourism, and the Hawaii Visitors Bureau.

Your Committees find that the upcoming change in the leadership of the Hawaii Visitors Bureau provides an excellent opportunity for a management and financial audit in order to give a clear mandate for the future direction of the bureau.

In order to address concerns about the effectiveness of state tourism promotion efforts, the audit should include a measure of the effectiveness of HVB promotions.

Your Committees also find that the audit should include an evaluation of HVB efforts to solicit private funds and increase the number of member businesses. The audit should also include a look at coordination between the bureau, the Department of Business, Economic Development, and Tourism, and its advertising agency.

Your Committees revised the concurrent resolution by:

1. Adding a provision that the audit include an evaluation of HVB's effectiveness in complying with the recommendations of the 1987 audit; and
2. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the records of votes of the members of your Committees on Tourism and Legislative Management that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 284, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 284, H.D. 1.

Signed by all members of the Committees except Representatives Baker, Ihara, Say and Souki.

**SCRep. 1283                      Tourism and Economic Development and Business Concerns on H.R. No. 228**

The purpose of this concurrent resolution is to request the Department of Business, Economic Development, and Tourism to coordinate visitor industry activities and promotions with the state information network.

Your Committees received testimony in support of this resolution from the Department of Business, Economic Development and Tourism, the Department of Budget and Finance, and the Hawaii Information Network Corporation.

Your Committees find that the state information network would serve as a fast, effective means for the distribution of information relating to promotions and other aspects of the visitor industry to interested parties on an international as well as a statewide scale.

Your Committees revised this concurrent resolution by:

1. Adding a paragraph describing numerous examples of the usefulness of the state information network to the visitor industry; and
2. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the records of votes of the members of your Committees on Tourism and Economic Development and Business Concerns that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 228, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 228, H.D. 1.

Signed by all members of the Committees except Representatives Chumbley, D. Ige, M. Ige, Lee and Tam.

**SCRep. 1284                      Tourism on H.R. No. 380**

The purpose of this resolution is to request the appointment of a committee of legislators to meet with hotel industry officials to encourage an increase in the number of local residents in hotel management positions.

Your Committee received testimony in support of this resolution from Rep. Robert Herkes, the University of Hawaii School of Travel Industry Management, Current Events, the Willows, the Hawaii Hotel Association, Outrigger Hotels, and a concerned citizen.

Your Committee finds that in a recent poll, the hotels responding reported that more than half of their management positions were held by local residents, but an increase in this proportion would add to the "Aloha Spirit" in the visitor industry and enhance the visitor experience in Hawaii. The best approach to increasing the number of local residents in hotel management would be to improve education and training opportunities, rather than imposing hiring quotas, which would reduce the quality of personnel.

In addition, the incorrect public perception of the few hotel management opportunities available also serves to reduce the Aloha Spirit of residents and reduces the number of local residents pursuing hotel management opportunities.

Your Committee revised the title and body of this resolution by:

1. Removing references to a committee of legislators;
2. Adding a request to the Office of Tourism of the Department of Business, Economic Development, and Tourism to report on the actual proportion of local residents in hotel management positions;
3. Defining "local residents" as persons born and raised in Hawaii or graduated from a high school in Hawaii;
4. Defining "management" as the term applying to positions at a level above supervisory positions;
5. Requesting the Office of Tourism of the Department of Business, Economic Development, and Tourism to form a task force to recommend possible measures that will increase the proportion of local residents in hotel management positions and combat the public perception that the visitor industry offers few opportunities for local residents;
6. Removing the paragraph connecting management opportunities to state tourism promotion funding; and
7. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 380, as amended herein, and recommends that it be referred to the Committee on Legislative Management in the form attached hereto as H.R. No. 380, H.D. 1.

Signed by all members of the Committee except Representatives Chumbley, Lee and Marumoto.

**SCRep. 1285                      Tourism on H.C.R. No. 420**

The purpose of this concurrent resolution is to request the appointment of a committee of legislators to meet with hotel industry officials to encourage an increase in the number of local residents in hotel management positions.

Your Committee received testimony in support of this concurrent resolution from Rep. Robert Herkes, the University of Hawaii School of Travel Industry Management, Current Events, the Willows, the Hawaii Hotel Association, Outrigger Hotels, and a concerned citizen.

Your Committee finds that in a recent poll, the hotels responding reported that more than half of their management positions were held by local residents, but an increase in this proportion would add to the "Aloha Spirit" in the visitor industry and enhance the visitor experience in Hawaii. The best approach to increasing the number of local residents in hotel management would be to improve education and training opportunities, rather than imposing hiring quotas, which would reduce the quality of personnel.

In addition, the incorrect public perception of the few hotel management opportunities available also serves to reduce the Aloha Spirit of residents and reduces the number of local residents pursuing hotel management opportunities.

Your Committee revised the title and body of this concurrent resolution by:

1. Removing references to a committee of legislators;
2. Adding a request to the Office of Tourism of the Department of Business, Economic Development, and Tourism to report on the actual proportion of local residents in hotel management positions;
3. Defining "local residents" as persons born and raised in Hawaii or graduated from a high school in Hawaii;
4. Defining "management" as the term applying to positions at a level above supervisory positions;
5. Requesting the Office of Tourism of the Department of Business, Economic Development, and Tourism to form a task force to recommend possible measures that will increase the proportion of local residents in hotel management positions and combat the public perception that the visitor industry offers few opportunities for local residents;
6. Removing the paragraph connecting management opportunities to state tourism promotion funding; and
7. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 420, 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. 420, H.D. 1.

Signed by all members of the Committee except Representatives Chumbley, Lee and Marumoto.

**SCRep. 1286 Labor and Public Employment on H.C.R. No. 404**

The purpose of this concurrent resolution is to urge state agencies, who will be awarding contracts for printing, binding and stationery, to give preference to businesses whose employees are unionized.

Testimony in support of this concurrent resolution was submitted by the Hawaii Government Employees Association, Hawaii State AFL-CIO, and Graphic Communications Int'l Union, Local 501-M. The Legislative Information Services of Hawaii, Inc. submitted testimony in opposition to this concurrent resolution.

Upon careful consideration, your Committee has amended the concurrent resolution by:

- (1) Deleting all references to "unions" or "unionized employees" and inserting language encouraging state agencies to patronize local printing companies that pay "prevailing wages";
- (2) Adding another paragraph in the "WHEREAS" section that states that many printing contracts are awarded to out-of-state printing firms even when local printing firms are capable of meeting the specified quality standards;
- (3) Deleting all of the language in the third "WHEREAS" section as follows: "however, that provision is not being implemented since the Director of Labor and Industrial Relations has not established prevailing wages for employees of such businesses"; and
- (4) Amending the title to accurately reflect the changes made in the concurrent resolution;

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 404, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 404, H.D. 1.

Signed by all members of the Committee except Representative Alcon.  
(Representative Ward voted no.)

**SCRep. 1287 Labor and Public Employment on H.R. No. 365**

The purpose of this resolution is to urge state agencies, who will be awarding contracts for printing, binding and stationery, to give preference to businesses whose employees are unionized.

Testimony in support of this resolution was submitted by the Hawaii Government Employees Association, Hawaii State AFL-CIO, and Graphic Communications Int'l Union, Local 501-M. The Legislative Information Services of Hawaii, Inc. submitted testimony in opposition to this resolution.



Upon careful consideration, your Committee has amended the resolution by:

- (1) Deleting all references to "unions" or "unionized employees" and inserting language encouraging state agencies to patronize local printing companies that pay "prevailing wages";
- (2) Adding another paragraph in the "WHEREAS" section that states that many printing contracts are awarded to out-of-state printing firms even when local printing firms are capable of meeting the specified quality standards;
- (3) Deleting all of the language in the third "WHEREAS" section as follows: "however, that provision is not being implemented since the Director of Labor and Industrial Relations has not established prevailing wages for employees of such businesses"; and
- (4) Amending the title to accurately reflect the changes made in the resolution;

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 365, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 365, H.D. 1.

Signed by all members of the Committee except Representative Alcon.  
(Representative Ward voted no.)

**SCRep. 1288      Labor and Public Employment on H.C.R. No. 209**

The purpose of this concurrent resolution is to request the employers in the State of Hawaii to respect the legal lifestyle activities of their respective employees.

As indicated in the substance of the measure, the objective of respecting the legal activities of employees after-hours and away from an employer's premises **MUST** be balanced against legitimate concerns by an employer arising out of the legal after-hour activities of an employee such as:

- (1) Actual conflicts of interest or the appearance of conflicts of interest with respect to the employer;
- (2) Adverse impacts which affect an employee's or perspective employee's ability to perform functions related to the job; and
- (3) Compatibility with collective bargaining agreements or fundamental business objectives.

Further, the measure notes legitimate concerns involving policy officers and employers who are religious entities or special interest nonprofit organizations.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 209 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Alcon.  
(Representative Ward voted no.)

**SCRep. 1289      Labor and Public Employment on H.R. No. 206**

The purpose of this resolution is to request the employers in the State of Hawaii to respect the legal lifestyle activities of their respective employees.

As indicated in the substance of the measure, the objective of respecting the legal activities of employees after-hours and away from an employer's premises **MUST** be balanced against legitimate concerns by an employer arising out of the legal after-hour activities of an employee such as:

- (1) Actual conflicts of interest or the appearance of conflicts of interest with respect to the employer;
- (2) Adverse impacts which affect an employee's or perspective employee's ability to perform functions related to the job; and
- (3) Compatibility with collective bargaining agreements or fundamental business objectives.

Further, the measure notes legitimate concerns involving policy officers and employers who are religious entities or special interest nonprofit organizations.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 206 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Alcon.  
(Representative Ward voted no.)