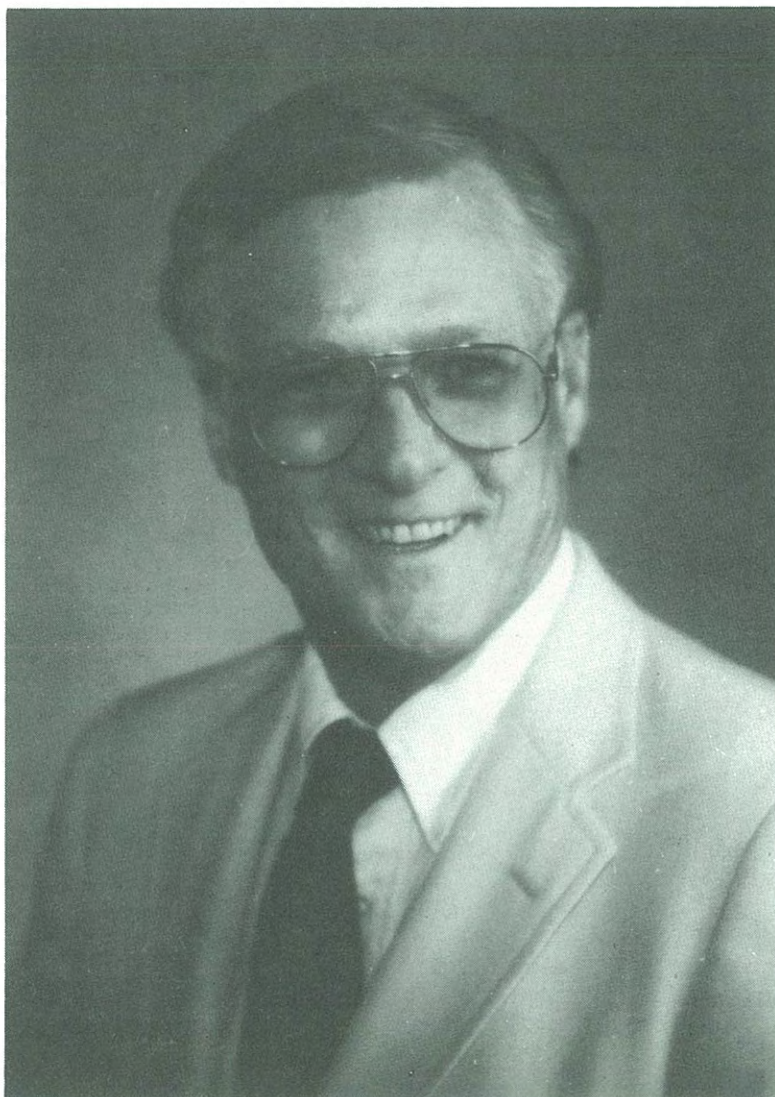


IN MEMORIUM



HONORABLE MIKE O'KIEFFE
MINORITY LEADER

August 11, 1939 – July 14, 1993

JOURNAL

of the

HOUSE OF REPRESENTATIVES

of the

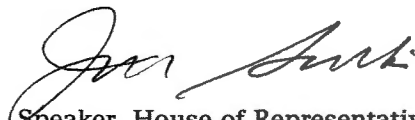
**SEVENTEENTH LEGISLATURE
STATE OF HAWAII**

SPECIAL SESSION OF 1993

**Convened Monday, August 23, 1993
Adjourned Monday, September 13, 1993**

CERTIFICATE

We hereby certify that the minutes for each day's session as appears in this House Journal are true and correct and that the original copies have been duly signed by the Speaker and Clerk of the House of Representatives and are on file in the Archives of the State of Hawaii.

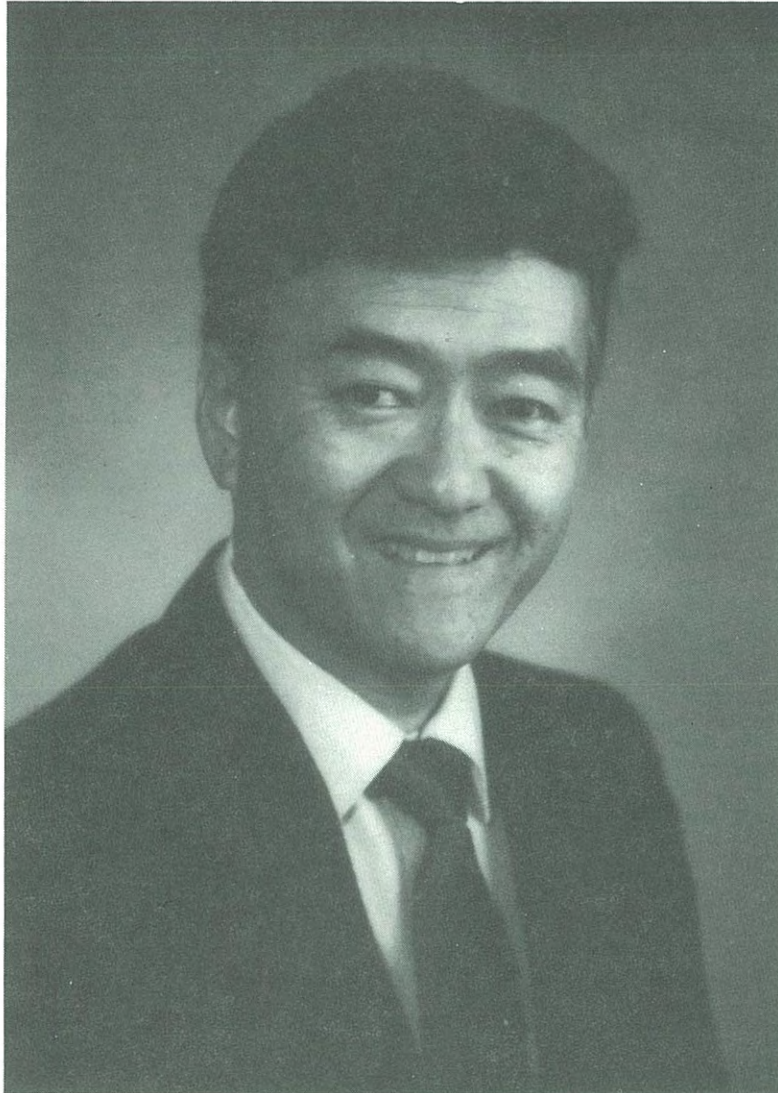

Speaker, House of Representatives


Clerk, House of Representatives

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IN MEMORIUM



GERALD I. MIYOSHI
CHIEF CLERK

November 3, 1945 – August 31, 1993

THE
SEVENTEENTH LEGISLATURE
STATE OF HAWAII
FIRST SPECIAL SESSION OF 1993
JOURNAL OF THE HOUSE
FIRST DAY

Monday, August 23, 1993

In accordance with the provisions of Section 10, Article 111 of the Constitution of the State of Hawaii, the House of Representatives of the Seventeenth Legislature of the State of Hawaii convened in Special Session on Monday, August 23, 1993.

The Honorable Joseph M. Souki, member of the Eighth District, he having been elected Speaker of the House of Representatives on the Opening Day of the Seventeenth Legislature and retaining that position under the provision of Rule 1.5 of the Rules of the House of Representatives called the House to order at 10:17 o'clock a.m.

At this time, the members of the House and audience rose for a moment of silence in memory of the late Representative Mike O'Kieffe.

The Divine Blessing was then invoked by Reverend Jonathan Heierman of the Joy of Christ Lutheran Church.

GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 1 and 2) were read by the Clerk and were placed on file:

Gov. Msg. No. 1, transmitting the Proclamation convening the Legislature of the State of Hawaii in Special Session on Monday, August 23, 1993, at 10:00 o'clock a.m., which reads as follows:

"STATE OF HAWAII
EXECUTIVE CHAMBERS
HONOLULU

August 12, 1993

The Honorable Joseph M. Souki, Speaker,
and Members of the House of Representatives
Seventeenth State Legislature
State Capitol
Honolulu, Hawaii 96813

Dear Sirs and Mesdames:

Transmitted herewith is the Proclamation convening the Legislature of the State of Hawaii in Special Session on Monday, August 23, 1993, at 10:00 a.m.

With kindest regards,

Sincerely,

/s/ John Waihee

JOHN WAIHEE

Enclosure

P R O C L A M A T I O N

WHEREAS, under Section 10 of article III of the Constitution of the State of Hawaii, the Governor may convene both houses of the Legislature or the Senate alone in special session; and

WHEREAS, the Governor believes that there are important matters requiring immediate consideration by the Legislature;

NOW, THEREFORE, I, JOHN WAIHEE, Governor of the State of Hawaii, pursuant to the power vested in me by Section 10 of Article III of the Constitution of the State of Hawaii, do hereby convene both houses of the Legislature of the State of Hawaii in special session on Monday, the 23rd day of August, 1993, at 10:00 o'clock a.m.

DONE at the State Capitol,
Honolulu, State of Hawaii,
this 12th day of August, 1993.

/s/ John Waihee

JOHN WAIHEE
Governor of Hawaii

APPROVED AS TO FORM;

/s/ Robert A. Marks

ROBERT A. MARKS
Attorney General

Gov. Msg. No. 2, informing the House of the appointment of Mr. Larry Tanimoto, which reads as follows:

"STATE OF HAWAII
EXECUTIVE CHAMBERS
HONOLULU

July 26, 1993

The Honorable Speaker and
Members of the House of Representatives
The Seventeenth Legislature
State Capitol
Honolulu, Hawaii 96813

Dear Sirs and Mesdames:

I am pleased to inform you of my appointment of Mr. Larry Tanimoto to fill the vacancy created by the passing of Representative Mike O'Kieffe from the State House of Representatives, Sixth District.

Pursuant to section 17-4, Hawaii Revised Statutes, Mr. Tanimoto's term will expire on General Election Day of 1994. His appointment is effective August 1, 1993.

With kindest regards,

Sincerely,

/s/ John Waihee

JOHN WAIHEE"

At this time, the Chair appointed Representatives Tom, Chairman; Menor, Vice Chairman; Herkes, Takamine and Thielen to the Committee on Credentials.

At 10:23 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 10:26 o'clock a.m.

SPECIAL COMMITTEE REPORT

Representative Tom, for the Committee on Credentials, presented a report (Spec. Com. Rep. No. 1) stating that the Committee had examined Governor's Message No. 2 appointing Mr. Larry Tanimoto to fill the vacancy created by the passing of Representative Mike O'Kieffe and recommending that Mr. Larry Tanimoto be seated as a member of the House.

On motion by Representative Tom, seconded by Representative Menor and carried, the report of the Committee on Credentials was adopted.

At 10:28 o'clock a.m., Representative Amaral asked for a recess and the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 10:29 o'clock a.m., the Chair appointed Representatives Baker, Ihara, Marumoto and Tajiri to escort Mr. Larry Tanimoto to the rostrum to be sworn in, and Representatives Chang, Duldulao and Okamura to escort Chief Justice Ronald T.Y. Moon to the rostrum to administer the oath of office.

OATH OF OFFICE

The oath of office was administered by the Honorable Ronald T.Y. Moon, Chief Justice of the Supreme Court of the State of Hawaii, to Mr. Larry Tanimoto, in accordance with the provisions of the Constitution of the State of Hawaii.

The Chair then appointed Representatives Kawakami, Nekoba, Say and Suzuki to escort Chief Justice Ronald T.Y. Moon from the rostrum, and Representatives Bunda, Kanoho, Thielen and Young to escort Representative Larry Tanimoto from the rostrum.

At 10:34 o'clock a.m., the Chair declared a recess, subject to the call of the Chair, to allow the members of the House to meet Representative Larry Tanimoto.

Upon reconvening at 10:38 o'clock a.m., the Roll was called showing all members present with the exception of Representatives Isbell and Peters, who were excused.

At this time, Representative Ward introduced to the members of the House two of his constituents: Mr. Les Chung with United Airlines, "a real ambassador of

alooha," and his son, Lucas, a student at Maryknoll School.

ORDER OF THE DAY

INTRODUCTION OF RESOLUTIONS

The following resolutions (H.R. Nos. S1-93 and S2-93) were read by the Clerk and were disposed of as follows:

H.R. No. S1-93, naming Larry I. Tanimoto as the Minority Whip in lieu of Gene R. Ward, and he shall be a member of the following Standing Committees: Education, Higher Education and the Arts, Hawaiian Affairs, Health, Housing and Human Services; and that Gene R. Ward shall be the Minority Leader and by virtue of which position shall be a member of the Committee on Legislative Management, was jointly offered by Representatives Baker, Ward, Ihara, Okamura, Thielen and Young.

On motion by Representative Baker, seconded by Representative Ward and carried, H.R. No. S1-93 was adopted.

H.R. No. S2-93 entitled: "HOUSE RESOLUTION HONORING THE LIFE OF THE LATE REPRESENTATIVE MIKE O'KIEFFE AND EXTENDING DEEPEST SYMPATHY AND CONDOLENCES TO HIS FAMILY," was jointly offered by Representatives Souki, Alcon, Amaral, Apo, Arakaki, Bainum, Baker, Beirne, Bunda, Cachola, Chang, Chumbley, Chun, Duldulao, Hagino, Herkes, Hiraki, Hirono, D. Ige, M. Ige, Ihara, Isbell, Ishii-Morikami, Kanoho, Kawakami, Lee, Marumoto, Menor, Morihara, Nakasone, Nekoba, Okamura, Oshiro, Pepper, Peters, Santiago, Say, Shon, Stegmaier, Suzuki, Tajiri, Takamine, Takumi, Tam, Taniguchi, Tanimoto, Thielen, Tom, Ward, Yonamine and Young.

Representative Baker moved that H.R. No. S2-93 be adopted, seconded by Representative Ward.

Representative Baker rose to speak in favor of the resolution "on behalf of the 47 members of the House Majority Caucus," stating:

"Today, as we come together to resolve issues, make decisions, and meet the challenges before us as representatives of the people of the State of Hawaii, we do so with a sense of sadness and regret that one of our colleagues -- one particular voice -- will no longer be heard in this chamber.

"The untimely passing of Representative Mike O'Kieffe is a tremendous loss to his family, his Big Island constituents, and this august body which has relied upon Mike's dedication to principle and sense of 'fair play.' Mike was an eloquent spokesperson for the loyal opposition when that role was appropriate, but he was more than a partisan politician. On the major issues and measures, Mike was able to rise above politics and gamesmanship to work cooperatively with all of his colleagues -- Democrats and Republicans -- to make those hard decisions to make Hawaii a better place.

"Mike O'Kieffe was a compassionate, caring, and honest man respected by those who knew and worked with him. As an advocate for education reform, the best interests of the children were his foremost concern. As an environmentalist, the preservation of Hawaii's natural resources for the enjoyment of all was his objective. And last but not least, as an advocate for judicial changes, the well-being of the victims of crime or other injustices was his primary goal.

"Representative Mike O'Kieffe will truly be missed. As we convene this Special Session, let us approach the tasks at hand with the same kind of diligence, cooperative spirit, and standard of excellence which characterized our friend and colleague.

"To Ticia and family, our deepest sympathies and our warmest aloha. It was truly an honor and a privilege to have served with Mike.

"Thank you, Mr. Speaker."

Representative Ward then rose and stated:

"Mr. Speaker, I also rise to speak with fond memories of our fellow colleague and friend, Representative Mike O'Kieffe.

"Mr. Speaker, I've never met a man or I've never met a woman, I've never met a child who didn't like Mike O'Kieffe, who didn't like Representative O'Kieffe. As you all know, Mike passed away on July 14th of this year and his passing has left us saddened, not only because of being a fellow legislator, but a leader and a spokesman, and a friend to all of us.

"Because his death was so sudden, so unexpected, those of us who were close to him were very shocked and we were very dismayed. In fact, the disbelief, the experience, was amazing.

"Mike is no longer here to talk story with, and as you know, at the beginning of every session, he shook as many hands with each of you as possible. That shock will remain with us because Mike is no longer here but his spirit rests with us. What he stands for lives on. He was a man of the people, he was a man who tirelessly represented his constituents. Mr. Speaker, he is the only representative that I know of who, in his car, would go intersection to intersection in the rural areas of Waimea, set up his sign, set up a chair, and let's talk story with your representative. He's the only representative I know that has done that and his memory will live on.

"And now, Mr. Speaker, as the current Minority Leader, I am well aware of the enormous responsibility which I must now shoulder, and the large well-liked shoes that I must now fill. I have been fortunate to have worked with Mike and learned from Mike, and as a leader, followed Mike. And I pledge to Mike, and to all of you, to continue his fight for the people of Hawaii and to work for the betterment of all Hawaii nei.

"On behalf of the members of this distinguished body, I bid you a fond aloha, Mike.

"Thank you, Mr. Speaker."

Representative Thielen then rose and stated:

"I also rise to speak in favor of this resolution and also to the memory of Mike O'Kieffe.

"As the Minority Floor Leader, I was really privileged to sit next to Mike O'Kieffe and to learn from him. I will never forget the experience of being able to work closely with a man who represented so many positive aspects and the best that we could expect from a legislator and a human being. Everyone knew him, everyone loved him, and everyone respected him. He always held true to the principles and the values in which he believed and still kept the respect of everyone for doing so.

"It was very like Mike to be seen talking with colleagues on both sides of the aisle -- joking with them,

laughing with them -- but he was always, always, a loyal member of the Republican Party, and still well-liked by those on both sides of the aisle. That's quite a task that he accomplished.

"Among the many issues that we discussed together, Mike and I both shared a passion for protecting Hawaii's fragile environment. This was as important to him as was education to Mike. Mike's vision was on preserving our natural resources for the sake of our children and our children's children. I feel good that all of us feel committed to this same goal, to continue to protect Hawaii's natural environment for today and for future generations.

"We will deeply miss Mike's presence, leadership and friendly smile. This body and our state will not be quite the same without him. We will always remember him with respect and aloha.

"Thank you, Mr. Speaker. And, Mr. Speaker, if I may request, the other members of our Minority Caucus would like to have their remarks inserted into the Journal in favor of this resolution."

"The Chair "so ordered."

Representative Marumoto's remarks are as follows:

"I had the pleasure of working with Mike here in the Legislature since 1986, the year in which he was first elected. During those years, I came to know him as a first-class person and as a first-class legislator. Although our caucus changed greatly over the years, Mike always seemed to have a knack for getting along with his colleagues while still getting his point across. When he became Minority Leader last year, he led by example and brought cohesiveness to a diverse group of representatives -- no small feat.

"During his tenure as a legislator, Mike accomplished much of which his family is justifiably proud. A tireless worker in his South Kohala/North Kohala district, he was instrumental in introducing and supporting legislation which led to new homes and schools, new and much-needed infrastructure, and better living conditions for his constituents on the Big Island as well as on Maui prior to reapportionment.

"Always active in the community, Mike thought nothing of traveling long distances in his car to hold community forums, lend a hand in a worthwhile charity, or simply discuss a concern in a constituent's backyard.

"In this business, legislators come and go. The good ones leave a legacy for others to follow. Mike's memory will live on as an example of excellence and integrity for our future leaders.

"Thank you, Mr. Speaker."

Representative Tanimoto's remarks are as follows:

"Mr. Speaker, as the newest member of the House, I rise to speak as a friend of Mike O'Kieffe.

"I was as shocked as anyone to hear of Mike's passing. He was a good friend and a person for whom I had the utmost respect. If I had my way, I wouldn't be standing here today -- Mike would. But we all must go on.

"Unlike my colleagues, I cannot talk about my experiences with Mike here at the Legislature because, as you know, I am a freshman legislator and did not have the privilege of working with him. But what I can speak

of is the man that I knew as a friend and neighbor on the Big Island.

"I knew Mike for ten years, and always found him to be genuinely concerned for the welfare of our islands, our people, and our community. Whenever we got together to, as he was fond of saying, share our 'manao' with each other, I was inevitably impressed with how much he truly cared about the issues and how they would affect his constituents. Over the years, we developed a close friendship and discovered that we shared similar political philosophies.

"My colleagues have mentioned Mike's friendly nature and openness to all people. I have been the lucky recipient of his friendship, and I feel honored to have been appointed to complete the remainder of his term. Like Mike, I intend to delve into the issues, make education one of my priorities, and do the best job that I can for the people of the 6th District. Mike would have wanted that.

"Thank you, Mr. Speaker."

Representative Chun then rose and requested that her remarks, in favor of the resolution, be inserted into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Chun's remarks are as follows:

"Representative Mike O'Kieffe has given so much to the people of Hawaii and served honorably for many years. May the good work and community interest he has inspired continue to benefit the State of Hawaii. I will remember him as a kind, thoughtful and compassionate person, a diligent and hardworking legislator, and a sincere and loving friend.

"My best wishes to his family for much happiness and good health always."

Representative Herkes then rose and requested that his remarks, in favor of the resolution, be inserted into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Herkes' remarks are as follows:

"Mr. Speaker, Representative O'Kieffe and I served together as elected Republicans from the Big Island. For years we joined and fought internal battles with the Republican Party on our island. We shared a common vision of where the Republican Party should be on issues of importance to our community. After a number of years of frustration, I threw in the towel and joined the Democrats. It is a tribute to Mike and the belief in his ideals that he continued the fight for what he felt was right. That was typical of Mike O'Kieffe. He was a principled, honest, hardworking man. He liked to say that he was not a politician. With all due respect to his memory, he embodied all that is good and honest about politics and politicians.

"As lonely as politics is, and as lonely was our fight with some elements of the Big Island Republican Party, Mike was fighting an even lonelier battle, one that he eventually lost. Typical of Mike, he remained an active representative of his district right up until the end. No one ever heard him complain. He thoughtfully and quietly answered questions about his voice to those who did not know what he was going through. On Opening Day of this last session, I was struck with a premonition that we would not see Mike at the next session.

"This State will miss Mike O'Kieffe, this Legislature will miss Mike O'Kieffe, the House will miss Mike O'Kieffe, his district will miss Mike O'Kieffe, his family most certainly will miss Mike O'Kieffe, I will miss Mike O'Kieffe.

"Mike, your work is done. You gave it your best shot. Rest in peace, and God bless you."

Representative Stegmaier then rose and requested that his remarks, in favor of the resolution, be inserted into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Stegmaier's remarks are as follows:

"Mike O'Kieffe was a good man and a good politician. He genuinely liked people -- all people -- and they responded with genuine affection toward him.

"Mike always carried himself as a patrician -- with grace and civility -- and yet he was never paternalistic. He saw through the superficial distinctions among people, to the basic dignity that dwells in each of us.

"Mike had the characteristics which all decent men strive to have: A masculinity which was observed in appropriate acts of stubbornness, and single-mindedness which forced others to take notice and not forget; and in the next moment, a sensitivity which was demonstrated by a show of kindness, a smile, and total attention to the expression of another human being.

"For me, personally, these attributes of Mike O'Kieffe were observed most poignantly in the way that he handled cancer. Mike quietly and tenaciously fought the inner battle with cancer while never bringing attention to his plight and never seeking pity from others for bearing those additional burdens in his daily life.

"We will all miss Representative Mike O'Kieffe for his outspoken advocacy of women's rights, environmental protection, improvement of our education system, rights of privacy, dealing creatively with intra-familial child sex abuse, and a myriad of other legislative issues, but many of us, both Democrats and Republicans, will miss him most for the kind of person he was: a respected colleague, and a loving father and husband, who did his part to make Hawaii and America a better place."

The motion was put by the Chair and carried, and H.R. No. S2-93 was unanimously adopted.

At 10:49 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 10:56 o'clock a.m.

INTRODUCTION OF BILLS

Representative Ihara moved that all bills laying on the Clerk's desk pass First Reading by title and be referred to their appropriate committees, seconded by Representative Thielen.

Representative Hagino rose and stated:

"Mr. Speaker, I rise to speak in opposition to one of the bills lying. . . I guess it's two of the bills lying on the Clerk's desk -- S4-93 and S5-93. These bills pertain to the convention center. I rise to speak in opposition to these two bills. There may be many reasons to speak out against the bills, but the most important reason. . .

At this point, the Chair interrupted and declared a recess at 10:57 o'clock a.m., subject to the call of the Chair.

Upon reconvening at 10:59 o'clock a.m., Representative Hagino continued his remarks, saying:

"As I said, I rise to speak in opposition to these two bills and the bills should be opposed, not necessarily because it has to do with the convention center, but it should be opposed because I really believe it represents politics at its lowest level. At its low point, democracy is at its worse when only vested interests are allowed to participate and the public has been excluded. Democracy is at its lowest level when the public can only find out about the deliberations through press releases, media statements and interviews.

"In the debate on the convention center for the past two weeks, there apparently have been only five participants: the three developers, you Mr. Speaker, and Senator Holt. Because we had no bill before us and we were not even in session, the rules of the House and the rules governing sunshine and public access did not seem to apply. The leadership will no doubt claim that when a compromise bill has been produced -- apparently it has been produced because we have a second convention center bill -- that we will follow all the rules and the laws. Namely, there will be three readings in this body, there will be a public hearing, not with the 48-hour notice -- I guess four hours' notice -- and after the hearing, the bill will go through its normal process. Of course, it will not be pointed out that we cannot amend the bill.

"George Orwell wrote the book that has been so often used in debates -- 1984. That book describes how the government of the future has a new language called 'newspeak.' It goes ... 'democracy is tyranny.' I believe that the Federal constitution, the State constitution, and all of the laws governing sunshine and public access contemplate a spirited democracy where there is full debate and discussion in the light of public scrutiny. It is the spirit of democracy that contemplates that the public will be encouraged to testify and present its opinion. This has all been lacking here.

"I came to write and give this speech when over the weekend I read a book about the Manzanar Relocation Camp. That book featured the photographs of Ansel Adams and an essay by the novelist, John Hersey, titled, 'A Mistake of Horrible Proportions.' In his essay, the writer emphasized over and over again that the justification used for the relocation was military necessity. While I do not mean to compare Executive Order 9066 with this bill, I must note that the basis for the passage of this bill in this Special Session with little public debate on this bill is economic necessity.

"The point that I am trying to make is that in a democracy, the ends never justify the means. And you can never make up for the loss of democratic principles in one instance. You cannot say that we will be a little less democratic here, but we will make it up another time by being more democratic.

"With the introduction of these bills, each and every one of us has been a participant in the worse example of backroom politics I have seen in fifteen years. It is all the worse because the media has been virtually silent. Even the media seems to have bought the idea that economic necessity can justify this sort of politics.

"For these reasons, I believe we should oppose these bills and wait until the Regular Session of 1994, which is only four months away, to discuss the convention center issue.

"Thank you."

Representative Ward then rose to speak in support of the bill, stating:

"Mr. Speaker, it is not the time for equivocation; it is not the time to be weak-kneed; it is not a time to call TKOs or technicalities. It is time to do what we were elected to do, and that is to make decisions as leaders who have been in touch with our constituents and who have gone to those hearings and have heard the arguments, if not ad nauseam. We've heard more than our share of why one senator has positives or one senator has negatives. It behooves us in this body not to postpone that decision. If you're a fisherman, they say, 'let's fish or cut bait.' I say it's time to go fishing, it is time to make our voices known and not to be weak-kneed and equivocal. We've done that for seven years ... it's time to stop, but it's time to get on with the convention center and the business of the people of this State.

"Thank you, Mr. Speaker."

Representative Shon then rose and stated:

"Mr. Speaker, the reason why I rise in opposition to S5-93 is because of the direction, basically that the bills before us are not going to have opportunities for amendment.

"I oppose the Ala Wai site, of course, but also I think it is especially important to emphasize that the presence of this bill is an opportunity on the part of the Legislature to commit an additional \$350-million or more to build a second convention center. Again and again, it has been represented to us that there will be a convention center built at the Aloha Motors site. The trigger mechanism integrated into this bill that would automatically go to the Ala Wai Golf Course, to me, is a disastrous, unwise commitment of the Legislature. It is unbelievable, to me, that we would pretend that this is anything other than a disastrous flirtation with the commitment of an additional \$350-million to build a second convention center. That's what the bill triggers. It is not ... let's negotiate as best we can for Aloha Motors. No, it's ... let's set up some criteria which will probably fail and then automatically -- automatically -- shift us to the destruction of the most treasured recreational resource in the urban area of Honolulu.

"For this reason, on First Reading, I must register a 'no' vote.

"Thank you."

Representative Hirono then rose to a point of personal privilege and stated:

"I would like to note for the record that while we are being asked to vote on these measures on First Reading, and that can be deemed a technical kind of a reading, that I would not like my vote on First Reading to be considered a waiver of my vote on any of these measures, in particular S4-93, S5-93 and S6-93."

Representative Amaral then rose and stated:

"Mr. Speaker, I would join in the voices in opposition of H.B. S4-93 with respect to the convention center. I know, Mr. Speaker, that it's very unusual for us to speak on First Reading, but in a Regular Session, there are sixty session days with which we can deal with issues and seeing as how we only have five days to articulate our concerns, Mr. Speaker, I add my voice to the concerns and send it to the committees that will be deliberating

over this issue that (1) we do not allow for a second convention center to be built; and (2) misuse and abuse more of our public moneys, and that we rise to the honorable position as policymakers and make the hard choices that are before us.

"When we hear that perhaps there is not enough time for amendments, I ask the chairs to be courageous and make the time so that full and open hearings are given to this critical matter before us.

"Thank you, Mr. Speaker."

On motion by Representative Ihara, seconded by Representative Thielen and carried, the following bills (H.B. Nos. S1-93 to S6-93) passed First Reading by title and were referred to committee:

House Bill Nos.

S1-93 "A BILL FOR AN ACT RELATING TO STATE BONDS."

Introduced by: Representative Say.

Referred to: Committee on Finance.

S2-93 "A BILL FOR AN ACT RELATING TO THE SPECIAL FUND APPROPRIATION FOR HIGHWAYS ADMINISTRATION."

Introduced by: Representative Say.

Referred to: Committee on Finance.

S3-93 "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS."

Introduced by: Representative Say.

Referred to: Committee on Finance.

S4-93 "A BILL FOR AN ACT RELATING TO A CONVENTION CENTER."

Introduced by: Representatives Say and Cachola.

Referred to: Jointly to the Committees on Finance and Tourism.

(2 noes: Representatives Amaral and Hagino.)

S5-93 "A BILL FOR AN ACT RELATING TO A CONVENTION CENTER."

Introduced by: Representative Cachola.

Referred to: Jointly to the Committees on Tourism and Finance.

(2 noes: Representatives Hagino and Shon.)

S6-93 "A BILL FOR AN ACT RELATING TO NO-FAULT INSURANCE."

Introduced by: Representative Bunda.

Referred to: Committee on Consumer Protection and Commerce.

ANNOUNCEMENTS

Representative Say rose and requested waiver of the 48-hour notice requirement to hear H.B. Nos. S1-93, S2-93 and S3-93 at 1:30 p.m. this afternoon in Conference Room 908, and the Chair "so ordered."

Representative Say then requested waiver of the 48-hour notice requirement to hear H.B. No. S4-93 at 3:00 p.m. this afternoon in Conference Room 1111, and the Chair "so ordered."

Representative Bunda then rose and requested waiver of the 48-hour notice requirement to hear H.B. No. S6-93 at 1:30 p.m. this afternoon in Conference Room 802, and the Chair "so ordered."

Representative Cachola then rose and requested waiver of the 48-hour notice requirement to hear H.B. No. S5-93 at 3:00 p.m. this afternoon in Conference Room 1111, and the Chair "so ordered."

At 11:10 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

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

Representative Ihara moved to keep the Journal open until 12:00 o'clock midnight this legislative day "for the purpose of receiving committee reports and bills transmitted thereby," seconded by Representative Thielen and carried.

At 11:13 o'clock a.m., the House of Representatives stood in recess for the purpose of receiving committee reports and bills.

ADJOURNMENT

At 12:00 o'clock midnight, the House of Representatives adjourned until 10:00 o'clock a.m. tomorrow, Tuesday, August 24, 1993.

SECOND DAY

Tuesday, August 24, 1993

The House of Representatives of the Seventeenth Legislature of the State of Hawaii, First Special Session of 1993, convened at 10:15 o'clock a.m., with the Speaker presiding.

The Divine Blessing was invoked by Reverend Jim Ledgerwood of the First United Methodist Church, after which the Roll was called showing all members present with the exception of Representatives Arakaki and Peters, who were excused.

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

On motion by Representative Ihara, seconded by Representative Thielen and carried, reading of the Journal was dispensed with and the Journal of the First Day was approved.

At 10:20 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 10:54 o'clock a.m.

ORDER OF THE DAY

STANDING COMMITTEE REPORTS

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. S1-93) recommending that H.B. No. S1-93 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Say, seconded by Representative Kawakami and carried, the report of the Committee was adopted and H.B. No. S1-93, entitled: "A BILL FOR AN ACT RELATING TO STATE BONDS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. S2-93) recommending that H.B. No. S2-93 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Say, seconded by Representative Kawakami and carried, the report of the Committee was adopted and H.B. No. S2-93, entitled: "A BILL FOR AN ACT RELATING TO THE SPECIAL FUND APPROPRIATION FOR HIGHWAYS ADMINISTRATION," passed Second Reading and was placed on the calendar for Third Reading.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. S3-93) recommending that H.B. No. S3-93 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Say, seconded by Representative Kawakami and carried, the report of the Committee was adopted and H.B. No. S3-93, entitled: "A BILL FOR AN ACT MAKING APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Say and Cachola, for the Committees on Finance and Tourism, presented a joint report (Stand. Com. Rep. No. S4-93) recommending that H.B. No. S4-

93 pass Second Reading and be placed on the calendar for Third Reading.

Representatives Cachola and Say, for the Committees on Tourism and Finance, presented a joint report (Stand. Com. Rep. No. S5-93) recommending that H.B. No. S5-93 pass Second Reading and be placed on the calendar for Third Reading.

Representative Cachola moved that the joint reports of the Committees be adopted and H.B. No. S4-93 and S5-93 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Chang.

Representative Shon rose to speak against the motion, stating:

"I would like to share with you my top ten reasons why we should reject this bill:

"Number 10. If you think that you're preventing more hotel rooms, think again. The Queen Emma properties would most likely be developed for more rooms to feed their new center.

"Number 9. The Speaker has often stated that because the industry is in a two or three year slump, we should avoid any more hotel rooms. This is really irrelevant because those rooms would not be built for two or three years in any case.

"Number 8. This is not a debate over where to put the center. It is a debate over whether or not to interfere in an already approved private sector effort to build the center at no cost to the State.

"Number 7. The \$350-million we would spend could certainly be used for other State needs such as schools. It's not as though we have extra money to burn.

"Number 6. The public clearly favors the Aloha Motors site over the Ala Wai.

"Number 5. The public clearly rejects the use of open green space for development.

"Number 4. This bill is not merely a keep-the-issue-alive measure. A short-form bill would have done that. This bill is the work of the Speaker and represents your view of the 'world.'

"Number 3. This bill and the process by which it was created, I believe, is an affront to the committee system. Mr. Speaker, at least you are consistent. For the last legislative session. . .

At this point, Representative Baker rose to a point of order and stated:

"I believe personal references are out of order on this floor."

The Chair asked Representative Shon to "please stick to the measure before you."

Representative Shon continued:

"The process of this bill, Mr. Speaker, I believe, is an affront to the committee system. It is very clear to all of us that the committee system has not been well respected with respect to this bill.

"Number 2. This bill is nothing more than a thinly disguised Ala Wai Golf Course bill -- a spend \$350-million for a second convention center bill.

"Number 1. If this bill were to pass, the City will have the power to not only delay but, I believe, to veto the proposal. It is a fruitless effort which only diminishes the Legislature in the eyes of the public.

"Mr. Speaker, our guest minister said today that the Lord has numbered the hairs on our head. Between the two of us, that was not an arduous task. But, Mr. Speaker, the bald truth is that this is a bad bill.

"Thank you."

Representative Tam then rose and stated:

"Although it's on Second Reading, please register a no vote for me mainly because I think we can utilize the public funds in better resource areas such as education, youth and elderly programs, and health programs that the private developer, like you said, can develop the convention center as they want to.

"Thank you."

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

"This is in regards to Plan B in this measure. I guess Plan A is Aloha Motors and Plan B is if it goes to the Ala Wai Golf Course.

"There has been some talk about transforming the remainder of Ala Wai Golf Course into a park and although we need parks on Oahu, we also need golf courses for our local residents. We need more municipal golf courses for our people to play on. Ala Wai is a very busy course and a lot of people enjoy it.

"I am very glad to see a provision in here for the State to give the City the Kapolei Golf Course. But I was also distressed to hear some talk about a golf course in Diamond Head Crater, and I would really discourage any development of this type in the crater. I think it was just a passing thought on somebody's mind but, nevertheless, it's not the right place ... I don't think it's large enough for an 18-hole golf course anyway.

"But to bring up the point about park space, we could really do a lot more in improving the Diamond Head Crater as a passive park for the people of Hawaii. It needs trail improvements and if indeed we do go to Plan B, take Ala Wai Golf Course, we could provide Kapolei for golfers and Diamond Head Crater improvements for the people who need more park space.

"I urge all people to vote aye on this measure.

"Thank you, Mr. Speaker."

Representative Amaral then rose to speak against the bill, stating:

"As I cited yesterday, my concern is that we would end up with two convention centers, and I hope that the chairs keep that in mind as this bill winds its way through for I have no doubt but that it will.

"I made another point as an aside to the members of the committees and to the chairs considering this measure, and that goes to the issue of additional golf courses. As I said, as a member of the Housing Committee, when the Kapolei Golf Course was being built with housing money, one of the assurances that we

received from HFDC was that on the sale of that golf course, that money would be repaid to our Housing Loan Fund, and we produce the money lost to the building of that golf course for the rebuilding of more housing. If this measure passes and should Kapolei Golf Course then pass on to the City, then certainly that remarkable sum of money that was lost for the building of this golf course will not go back into housing but will remain in an area where in a six-mile radius, we have ten golf courses.

"I am just expressing my dismay.

"Thank you, Mr. Speaker."

Representative Hagino then rose and stated:

"I just want the Journal to reflect that I will be voting no on this measure.

"Also on the Kapolei Golf Course, I spoke against this several years ago and I think I was the first one to speak out against it. It's just an albatross around the neck of HFDC and it's hardly a gift. They don't know what to do with it ... it's not a trade in any way. I repeat, it's not a trade in any way. In fact, the fact that they are even agreeing to give away this golf course, based on the fact that it was State money that was used to pay for this golf course, I would say that these directors of the Housing Finance Development Corporation who used State money to build this golf course have been negligent in their responsibilities. And if they are going to agree to this sale, to this transfer, I believe that they are derelict, negligent, and some kind of action should be brought against them for the wasting of public money and public assets.

"Thank you, Mr. Speaker."

Representative Ward then rose and stated:

"Mr. Speaker, I rise to give a very brief reminder of what we are talking about when we talk about the convention site. We are talking about an economic development project. Maybe this body is not very familiar with stimulating the economy or trying to get people to get jobs that they are losing now. We've got tourism dying on the vine. You know, it's not a time to be fiddling and equivocating on an economic development project. That's exactly what it is.

"And I would say just to those whose hairline is receding ... it's not baldheads, it's cold feet that is the issue."

Representative Bainum then rose to cast his no vote on this measure.

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

"You know, I am speaking partly in opposition to this bill because of the fact that it gives the Convention Center Authority to do the negotiation. As you know, Mr. Speaker, they have outstandingly failed to do the negotiation on the International Market Place and for them to spend more money to negotiate this Aloha Motors deal, I think is wrong. And besides, they are going to fall on this negotiation because of the fact that if we fail on the Aloha Motors, it will automatically kick off to the Ala Wai Golf Course so, as you can see, Mr. Speaker, there is no guarantee that we will have the Aloha Motors site.

"Thank you."

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

"Because there have been a couple of misrepresentations on the floor, I wanted to state for the record that if members would look at page 15 of S5-93 that if the Ala Wai Golf Course is designated as the convention center site, that it is only the use, operation and control of the Kapolei Golf Course. In other words, we would be providing an additional public course to be operated by the City. We would not be giving away a public asset as the State would still own the land.

"I think it's important also to note that the City would have to accept the management and operational responsibilities of the course so we would not be providing an undue burden to the City but merely making an additional resource a municipal golf course, a low priced golf course a recreational facility available to the people of the City and County of Honolulu.

"The other misrepresentation that I think it's important to note is in terms of the financing for the convention center. S4-93 specifies that the convention center would be financed by an increase of one percent of the transient accommodations tax. Revenues from the TAT do not now go into the general fund. As a matter of fact, we wouldn't be contemplating raising the TAT were it not to finance the much-needed convention center, so we're not talking about revenue loss to other items. A convention center is something the State desperately needs. We need to provide convention facilities so we can attract that kind of visitor to our island and reap the economic benefits thereby.

"For these reasons, I support this measure.

"Thank you, Mr. Speaker."

Representative Hirono then rose and stated:

"I'd like the Clerk to record a no vote for me on S5-93 for the following reason that after the sixty-day period, the site automatically jumps to the Ala Wai Golf Course."

Representative Lee rose and stated:

"I rise to speak in favor of the measures before us with two misgivings.

"On S4-93, I support the special fund for the convention center which was formulated by Mr. Lowell Kalapa. You know, he's a tax expert and knows all about taxes. But I am opposed to raising the room tax by one percent. Nonetheless, I have to take the whole measure as it is.

"On S5-93, I support the measure but I have grave misgivings about going to the Ala Wai Golf Course, and I want to have that misgiving placed on the record.

"Thank you, Mr. Speaker."

Representative Hagino, in rebuttal, stated:

"Regarding the Kapolei Golf Course which is an item in this bill, if you were the stockholder of a company and the CEO or the Board said they are going to spend \$38-million on a project and they're going to get the money back for you plus a profit and they spend the \$38-million, whether they transfer the land or they transfer the use of the land or not, the fact is that they can no longer recoup the \$38-million because there is no item, no asset, that they control. That is the negligence on the part of the directors, that they have expended moneys and they no longer have that asset under their control so they can no

longer recoup the money -- the public money that was outlaid. In that sense, the taxpayers of this State are all stockholders or shareholders in government entities, and that's the problem with this transfer. So it is in no way a gift, but it really represents a tremendous mistake that was done five years ago with the Kapolei Golf Course.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the reports of the Committees were adopted and **H.B. No. S4-93, entitled: "A BILL FOR AN ACT RELATING TO A CONVENTION CENTER,"** passed Second Reading and was placed on the calendar for Third Reading, with Representatives Hagino, Shon and Tam voting no, and **H.B. No. S5-93, entitled: "A BILL FOR AN ACT RELATING TO A CONVENTION CENTER,"** passed Second Reading and was placed on the calendar for Third Reading, with Representatives Amaral, Bainum, Hagino, Hirono and Shon voting no.

Representative Bunda, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. S6-93) recommending that H.B. No. S6-93 pass Second Reading and be placed on the calendar for Third Reading.

Representative Bunda moved that the report of the Committee be adopted and H.B. No. S6-93 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Ishii-Morikami.

Representative Thielen rose and offered the following amendment:

"SECTION 1. House Bill No. S6-93 is amended by amending lines 16 through 23 on page 4, and lines 1 through 5 on page 5 to read:

"(c) No insurer shall refuse to continue a no-fault policy based primarily upon a person's race, creed, ethnic extraction, age, sex, length of driving experience, marital status, residence, physical handicap, or because an insured has elected to obtain any required or optional coverage or deductible required by law. If an insured alleges that the insurer's refusal to continue the no-fault policy is based primarily upon the insured's race, creed, ethnic extraction, age, sex, length of driving experience, marital status, residence, physical handicap, or because the insured has elected any required or optional coverage or deductible provided by law, the burden of proof shall rest with the insurer to prove that the refusal to continue the policy was not based on noncompliance with this subsection."

Representative Thielen moved that the amendment be adopted, seconded by Representative Ward.

Representative Thielen then spoke in favor of the amendment, stating:

"Mr. Speaker, briefly what the amendment does is replace the word 'solely' with the word 'primarily' and that is before you on line 2 of the Ramseyer language. It's down also again about half way down on the left hand side.

"Hawaii's no-fault bill that is before us is going to permit insurance companies to refuse to renew up to two percent of existing policies of insureds. In other words, two percent of our motorists who are driving legally with insurance policies are going to be told by insurance companies ... you're out. Now, we worked hard in the informational hearing to say we had to have some non-discriminatory language in the bill that would not permit insurance companies to arbitrarily say ... you live in

Waianae -- you're gone, you're history. You're older, you're a senior citizen -- you're gone, you're history. Across the board, we wanted to make sure that in all those suspect categories, the insurance company would not be allowed to cancel policies or refuse to renew them based upon those suspect reasons. So then comes the language yesterday, and guess what? It says, 'An insurance company cannot use a suspect category if that's solely the reason it refuses to renew the insurance.' So, your elderly citizen in Waianae, older male lives out in the country -- those are two suspect categories -- and three, sex, age and where the residence is located. The insurance company says ... that's not the sole reason. The older guy who lives in Waianae is driving a red vehicle and we know that red vehicles cause more accidents than any other cars. You're history, buddy -- you're out.

"So what happens? Those two percent of the population that used to carry insurance translate to about twelve thousand plus of our motorists. This means they're going to ultimately end up in the joint underwriting plan -- the JUP -- and that carries a higher price tag. Their insurance is going to cost more by passing this measure.

"So what happens to those people? It's fair to say a certain percentage of them are going to be financially unable, like the elderly person in Waianae possibly, financially unable to get other policies at a higher premium. So do they join the ranks of the uninsured motorist? Probably. A large percentage of them will.

"Right now, we have twenty percent of our motorists on the road that are driving without insurance. You know how this affects those people that do buy insurance? I was informed by GEICO, eight percent of our premiums are due to uninsured vehicles in Hawaii. This is going to grow with this measure.

"The amendment that I am proposing for you is very simple, very small, and very fair to the consumer. It says to insurance companies ... you're going to have to be darn sure you're not using suspect categories to cancel or when you refuse to renew someone's insurance. It gives the Insurance Commissioner the teeth to go after those insurance companies that are bad citizens in our State where they refuse to renew policies for suspect reasons. It says ... if you primarily base your refusal on one of the suspect categories, our Insurance Commissioner can go after you legally. It's a small change with big teeth and one that the Insurance Commissioner can use to bite those insurance companies that are bad citizens in our State.

"I would ask all of our members to take a pro-consumer step today. Don't wait until your offices get calls from people that are saying ... we were dumped. I am older, I was dumped. I had a decent driving record, I'm older, I can't get insurance, now I can't afford it ... what can I do? And then you realize ... hey, we made a mistake -- a serious mistake.

"Let's correct it now while we are in session, while we have the opportunity to do so, and take the courageous pro-consumer step to correct this measure.

"Thank you, Mr. Speaker."

The motion to adopt the amendment was put by the Chair and failed to carry by voice vote.

Representative Hirono then rose and stated:

"I find that I must rise to speak at this juncture against S6-93. In doing so, I would like to simply respond to two rather astounding paragraphs in the committee report that

is on your desks, and this appears on page 4 of the committee report, and it is talking about the rollbacks that were supposed to happen. The astonishing statements made in these two paragraphs are that we are to believe that the full fifteen percent reduction that was supposed to happen under the 1992 law happened. What kind of doublespeak is that? I repeat -- what kind of doublespeak is that? We all know that we did not get the fifteen percent reduction, so to say that those reductions were reflected in the rates that were filed is just astounding. And when the Insurance Commissioner tried to explain that to our committee, I must confess that I had absolutely no idea what the heck they were talking about. All I know is, and the other people in the State know, they did not get their reductions, and contrast what happened in Hawaii to what happened in California when they passed Proposition 103 which required the twenty percent rollback on auto premiums in California.

"California is a very large state. They have over three hundred insurance companies writing auto insurance in California. When Proposition 103 passed, practically every single one of those companies filed a lawsuit. They wanted to get out from under those rollbacks. Their Insurance Commissioner fought them. That did not happen in Hawaii. Their Insurance Commissioner fought their getting out from under that twenty percent rollback. And do you know that in California the auto insurance premium payers there have seen reductions and returns amounting to millions -- millions of dollars? The most recent company to negotiate a settlement on the rollback is, I believe, All-State, and they had to refund millions of dollars. Their Insurance Commissioner fought them to make sure that the consumers would get those reductions.

"That did not happen in Hawaii, and the reason that did not happen in Hawaii was that our Insurance Commissioner deemed that the rollback standard was unconstitutional. Our Insurance Commissioner deemed that -- not our courts. That's very astounding that she could unilaterally conclude that the standard was unconstitutional.

"The second paragraph talks about that. If we were to require or ask for an extension of the rollback so that the consumers here can at least get a shot at getting those rollbacks, we are told that it would be misleading and irresponsible to require additional mandatory insurance premium rollbacks. That is just simply astounding, and I say that it is highly misleading and irresponsible to put into this committee report the notion that we have gotten our rollbacks. That is misleading and irresponsible.

"I urge my colleagues to vote against this measure."

Representative Bunda, in rebuttal, stated:

"The previous speaker's mention of the Commissioner's deeming that the rollback was deemed unconstitutional, I believe it was a 1990 decision of the Ninth Circuit Court that would deem that such rollbacks, the wording of rollbacks in the California statute and also in the Nevada statute, that was deemed unconstitutional."

Representative Shon then rose to cast his no vote on this measure.

Representative Thielen then rose and stated:

"I would like to rise to speak against the bill. I would like to point out, Mr. Speaker, that as long as the language is in the measure that allows for a reasonable rate of return, a fifteen percent rollback is valid provided that the insurance company may obtain a reasonable rate of return.

"I learned with dismay that the Insurance Commissioner or maybe in conjunction with the industry, has determined that fifteen percent is a reasonable rate of return. Fifteen percent, Mr. Speaker, translates to five to six percent profit. I wonder how many business people in today's economy would like to have a guaranteed, absolute legislatively enacted five to six percent profit in their business. I think that we need to take a hard look at what insurance companies have been getting from our State, taking from our residents, at our residents and at our consumers' expense.

"Mr. Speaker, for this reason, as well as the reasons that I feel the bill is basically going to catapult law-abiding citizens into the ranks of either uninsured or having to pay excessive premiums under the JUP -- our elderly, our other categories -- for these reasons, Mr. Speaker, I cannot support the measure as it is presently written."

Representative Apo then rose to cast his no vote on this bill.

Representative Alcon then rose to speak in support of the bill, stating:

"You know, as it was originally written, Mr. Speaker, I was going to vote against this bill but because of the fact that we had to face the fact that we have not, at this point, passed a perfect bill, a not perfect bill is better than none at all for the simple reason that it takes care of senior citizens, Mr. Speaker, and also for the fact that we have the twenty percent that Representative Thielen was talking about a while ago in Kalihi, and at least they don't get penalized for the first offense.

"And also, Mr. Speaker, if there is going to be some flaws in this bill, we can always come back in four months and amend it.

"Thank you."

Representative Tam then rose to cast his no vote on this bill, saying:

"This is an anti-consumer bill. In other words, it is a pro-insurance company bill."

The motion was put by the Chair and carried, and the report of the Committee was adopted and S6-93, entitled: "A BILL FOR AN ACT RELATING TO NO-FAULT INSURANCE," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Apo, Hirono, Shon, Tam and Thielen voting no.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolution (H.R. No. S3-93) and concurrent resolution (H.C.R. No. S1-93) were offered and referred to committee.

H.R. No. S3-93, entitled: "HOUSE RESOLUTION REQUESTING A PLAN OF ACTION FOR A MORE EFFICIENT PROCUREMENT SYSTEM," was jointly offered by Representatives Say and Kawakami.

Referred to: Committee on Finance.

H.C.R. No. S1-93, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A PLAN OF ACTION FOR A MORE EFFICIENT PROCUREMENT SYSTEM," was jointly offered by Representatives Say and Kawakami.

Referred to: Committee on Finance.

At 11:24 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 11:26 o'clock a.m.

ADJOURNMENT

At 11:27 o'clock a.m., on motion by Representative Ihara, seconded by Representative Thielen and carried, the House of Representatives adjourned until 10:00 o'clock a.m. tomorrow, Tuesday, August 24, 1993.

THIRD DAY

Wednesday, August 25, 1993

The House of Representatives of the Seventeenth Legislature of the State of Hawaii, First Special Session of 1993, convened at 10:23 o'clock a.m., with the Speaker presiding.

The Divine Blessing was invoked by Reverend Stanley Bain of Harris United Methodist Church, after which the Roll was called showing all members present with the exception of Representative Arakaki, who was excused.

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

On motion by Representative Ihara, seconded by Representative Thielen and carried, reading of the Journal was dispensed with and the Journal of the Second Day was approved.

At 10:27 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 11:42 o'clock a.m.

ORDER OF THE DAY

SUSPENSION OF RULES

On motion by Representative Ihara, seconded by Representative Thielen and carried, the rules were suspended for the purpose of considering bills on Third Reading on the basis of a modified consent calendar.

THIRD READING

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

H.B. No. S1-93:

Representative Say moved that H.B. No. S1-93, having been read throughout, pass Third Reading, seconded by Representative Kawakami.

Representative M. Ige rose to speak against the bill, stating:

"Mr. Speaker, when this bill came up in the '89 session, I had serious reservations about supporting it because I did not believe, at the time, that it was necessary for us, the Legislature, to create a \$90-million special fund to take care of our educational facilities.

I felt that educational facilities were such a high priority that the Legislature would take the necessary action by making whatever appropriations needed to guarantee the best school facilities for our children.

"Mr. Speaker, I went along with that measure because I believed, at the time, that we had a responsibility and we owed our children that much.

"But today before us, and I believe last year as well, in place of the \$90-million in cash, which is no longer there, we are floating obligation bonds. We are not paying for it as intended by the original bill. They are -- our children. We have in essence obligated the future of our children to pay for the facilities that they would use. We

have placed yet one more weight around the ankles of each and every one of them.

"Mr. Speaker, we have so much to do with so little to do it with. Let's not finance the future of our children for them. Let's let them make that decision.

"But in the meantime, let's do everything we can to give them the best possible education so that they may one day be able to make the right decision.

"Thank you."

Representative Tam then rose to speak in favor of the bill, with reservations, stating:

"My objections is based on the inclusion of the funding for a convention center to be funded at the expense of taxpayers when a private developer is willing to finance the center. The inclusion would interrupt with our society's free market system. Furthermore, general obligation bonds can be utilized to fund other public priorities such as education.

"Thank you."

The motion was put by the Chair and carried, and H.B. No. S1-93, entitled: "A BILL FOR AN ACT RELATING TO STATE BONDS," having been read throughout, passed Third Reading by a vote of 49 ayes to 1 no, with Representative M. Ige voting no, and Representative Arakaki being excused.

The Chair directed the Clerk to note that H.B. No. S1-93 had passed Third Reading at 11:46 o'clock a.m.

H.B. No. S2-93:

On motion by Representative Say, seconded by Representative Kawakami and carried, H.B. No. S2-93, entitled: "A BILL FOR AN ACT RELATING TO THE SPECIAL FUND APPROPRIATIONS FOR HIGHWAYS ADMINISTRATION," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

The Chair directed the Clerk to note that H.B. No. S2-93 had passed Third Reading at 11:47 o'clock a.m.

H.B. No. S3-93:

On motion by Representative Say, seconded by Representative Kawakami and carried, H.B. No. S3-93, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

The Chair directed the Clerk to note that H.B. No. S3-93 had passed Third Reading at 11:48 o'clock a.m.

H.B. No. S4-93:

Representative Cachola moved that H.B. No. S4-93, having been read throughout, pass Third Reading, seconded by Representative Say.

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

"When we first instituted the hotel room tax that was a five percent tax and at that time we told the hotel industry that a portion of it -- probably two percent -- would go towards the construction of a convention center and we kind of did not hold to that agreement. They had every

expectation that this would be the case but, unfortunately, this did not happen. Now, we're raising the tax another percent and telling them ... trust us, we will put it into a capital fund. Well, I'm pretty sure this time it will happen, but I think we should make sure that we realize this tax is dedicated to the construction of the convention center and so once we start this tax, I think we should deliver a convention center to them.

"Thank you very much."

Representative Lee then rose and requested that his remarks, in support of the bill, be inserted into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Lee's remarks are as follows:

"Mr. Speaker, I rise to explain my vote in support of H.B. No. S4-93.

"As I stated on Second Reading, I support the establishment of a special fund for the convention center but oppose an increase of the room tax from five percent to six percent. Our tourist arrivals are down, and it is not the time to raise the room tax."

The motion was put by the Chair and carried, and H.B. No. S4-93, entitled: "A BILL FOR AN ACT RELATING TO A CONVENTION CENTER," having been read throughout, passed Third Reading by a vote of 44 ayes to 6 noes, with Representatives Amaral, Apo, Hagino, M. Ige, Shon and Tam voting no, and Representative Arakaki being excused.

The Chair directed the Clerk to note that H.B. No. S4-93 had passed Third Reading at 11:50 o'clock a.m.

H.B. No. S5-93:

Representative Cachola moved that H.B. No. S5-93, having been read throughout, pass Third Reading, seconded by Representative Say.

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

"Last week I made a statement that this convention center issue is like a hurricane. It is unpredictable, it can change course at any time, moving toward one side, then shifting to another. Until last night, that was the case. Now, I am happy to say that we are getting closer to a decision at this stage with the House and Senate closer together. The hurricane is a little more predictable but the deal has not been closed yet. The issues surrounding the convention center are many and complex, and many will naturally have reservations about any specific proposal.

"I would like to emphasize, Mr. Speaker, the fact that this bill serves as a vehicle to keep the convention center alive. This is just a vehicle to be sure that we have something to use when the time comes that there is a deal or a compromise struck between the House and the Senate. The contents of the bill may change, subject to further negotiations between the House and the Senate.

"At this time, I counsel all members to be patient and I am confident that out of this, something good will come out of it. The overriding goal, not only to the Tourism Committee but all of us, is to build a convention center, and it is incumbent on this Legislature to produce one. We cannot get out of this place without a decision. This will be the most important decision since statehood and may determine the economic survival of future generations.

"Because of these reasons, Mr. Speaker, I urge all of my colleagues to please vote for this measure.

"Thank you."

Representative Isbell then rose to speak in favor of the bill, with reservations, stating:

"That portion of the bill on page 15 which refers to the Kapolei Golf Course is of great concern to me and to the Committee on Housing. That golf course was built even though the Committee felt very strongly, three years ago, that it should not have been a golf course, that it is a flood control area, and it would have been much cheaper and better to have built it into a nice park and an area for recreation.

"The reason that they did go ahead and build it is that they said it would bring money to the Kapolei community because after the golf course lease premium was sold, then the portion of the income from the golf course would go to Kapolei to help keep it up and pay some of the management fees. So I have a real problem with the fact that, of course, they went ahead and built the golf course anyway. They have never been able to sell it. It's a \$38-million loss to the homes that are supposed to be built with that money, and so at the same time, we have no way of reimbursing the revolving fund from which the moneys came for the golf course.

"In this bill, we are transferring all the use of this golf course over to the City and County of Honolulu. I feel very strongly that that is a great error and I think possibly could have a legal challenge because the money is supposed to be reimbursed to the Homes Revolving Fund, and it also is using money that was supposed to build homes for the people of Hawaii.

"So based on that information, I do feel that the Kapolei Golf Course should not be included in this bill and that perhaps when your committees are negotiating, it better become part of the negotiation on the table because I do think that it has a legal ramification.

"Thank you very much."

Representative Apo then rose to speak against the bill and "simply would ask that Representative Isbell's words be entered into the Journal as my own, and should the bill come back for Final Reading in an amended form that deletes that provision, it probably will have my support.

"Thank you."

The Chair "so ordered." (By reference only)

Representative Amaral then rose to speak against the bill, stating:

"Mr. Speaker, had all things gone well for this body, today actually would have been the last day of our Special Session. We could have disposed of the first three bills and then all gone home, meeting our obligations to deal with some budget areas. However, we have now sitting before us two complex bills and our backs are up against the wall.

"I appreciate the comments of the good chairman from Tourism and that these bills perhaps need to be reviewed as a vehicle in order to give the most flexibility to our chairs in both Tourism and Finance. In good conscience, however, as the representative from my district, I must cast my vote based upon the language that is in these bills.

"Partly, I share the same concerns with the good representative from Kona with respect to the use of Kapolei Golf Course. My concern is that the money needs to be repaid to the Homes Revolving Fund and the transfer of the Kapolei Golf Course to the City and County of Honolulu will not effectuate that. The money should have been used to build homes and should continue to be used to build homes. This is a dilemma we lay on the laps of our two eminent chairs to deal with this as this vehicle moves through and I have no doubt that it will.

"The other thing that is problematic for me in this bill is, of course, that it allows the opportunity for a second convention center to be built, and again I would encourage the chairs dealing with this issue to create language that prohibits the building of two convention centers. At a time when Hawaii is called the 'tax hell', at a time when our residents are moving to the continental U.S.A. in order to be able to just eke out a decent way of living, a decent standard of living, I ask that we not consider the misuse or abuse of public funds for the creation of an additional convention site.

"One of my constituents has written to me to say that the responsibility that lays before us now, with respect to this decision, is 'statesmanlike decisions are needed and would do more to restore public confidence in the Legislature.' I wasn't real clear what statesmanlike decisions meant so I looked it up, and basically, it is political leadership wisely exercised. I think that's a wonderful challenge for all of us, and would encourage that all of us rise to the challenge.

"Thank you, Mr. Speaker."

Representative Tam then rose to speak in opposition to the bill, stating:

"Before I proceed with my reasons for opposition, I wish to state for the record that I am in favor of a convention center in our State to generate economic and financial growth for Hawaii, but not in the manner the Legislature and the Governor are pursuing at this time.

"The reasons for opposition are as follows:

- (1) A convention center can be developed and financed by a developer at the former Aloha Motors site at no expense to Hawaii's taxpayers and at no increase in the transient accommodations tax as proposed in this bill. Today's trend nationwide in decreasing unnecessary government spending is privatization, where facilities and services can be funded by private enterprise. After all, our country and economy is based on free enterprise, not a form of communism, where government owns revenue-making businesses.
- (2) Government is not a profit-oriented business as compared to private enterprise. Experience has shown that when government takes on the role as profit-oriented business, we fail. For example, the Kohala Task Force.
- (3) The State Administration has not set architectural plans and guidelines to develop a State-owned convention center. Hawaii's taxpayers will be very displeased with the State government for spending taxpayers' dollars without plans. It's like building a house without any architectural plans.
- (4) I am opposed to giving the Convention Center Authority blanket discretion to develop a

convention center. Remember what happened when the Legislature several years ago gave the HCDA blanket discretion to develop the Kakaako district? I am sorry I voted on that in favor. We are now experiencing bigger costs and community problems. Government is unproductive and inefficient.

- (5) We need to preserve the open space at the Ala Wai Golf Course for our citizens, especially for our youth and elderly. The land is on the State Historic Register.
- (6) The City Council and the City Administration have already approved its land use under its designated power, and once again -- designated power -- to the Aloha Motors site for the convention center. I would not be surprised if the City Administration and the City Council file a lawsuit against the State Administration and the Legislature. A suit would delay the building of a convention center for years to come.
- (7) Mr. Kelly of the Outrigger Hotels presented testimony of concern with regards to this bill, where he objects to the Ala Wai Golf Course site for a convention center as an automatic fall-back after sixty days of not reaching an agreement with the Aloha Motors site. Mr. Kelly himself recommends using the 1994 legislative session in making the selection of either the Gateway or the Golf Course. I think what he is talking about here is ... let's have public hearings in the process of deciding on the site, which is our democratic process.
- (8) I oppose H.B. S5-93 where the Convention Center Authority will have the power to hire employees without regard to chapters 76 and 77, respectively, civil service hiring law and salaries. This is unfair to our thousands of civil service employees with similar job descriptions and responsibilities. I have always mentioned that it is improper to constantly appoint people without respect to other civil service employees. Passage of this provision will allow more political and unqualified hiring.

"In closing, I have a recommendation, not only criticism at this time. If the State wants to help finance the convention center, provide a private developer to borrow from the State with low interest loan. An example of this that we just did is Hawaiian Airlines.

"Thank you very much, Mr. Speaker."

Representative Thielen rose to a point of information, asking:

"The committee report and the bill itself states that we are addressing today approximately 9.7 acres. However, the **Honolulu Advertiser** quotes you as saying that the House is going along with the Senate's desire to purchase only 8.2 acres. I am wondering which measure is before us. . .

At this point, the Chair ruled Representative Thielen out of order.

At 12:04 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 12:06 o'clock p.m., Representative Thielen continued her remarks, stating:

"The status of what is before us ... I understand we are dealing with the 9.7 acre site. Hypothetically, it could go down to 8.2 acres, and I am standing to speak, Mr. Speaker, in opposition to this bill for the following reasons.

"Mr. Speaker, the convention center is a vast project undertaken with half-vast ideas. The concern with the Aloha Motors site, if it hypothetically goes down to the 8.2 acreage is that the Aloha Motors site cannot accommodate expansion. It's not within walking distance to hotels, Mr. Speaker, and it's really clear to everyone here in this room who drives in that area that the traffic impact could be severe at that site. And what is equally troubling or probably more troubling than the initial site designation of the Aloha Motors site is that within sixty days we have a drop-dead clause and the site catapults to the Ala Wai.

"Mr. Speaker, we can expect strong opposition, not only from members out in the community, from golfers, preservationists, environmentalists, other community members, to that Ala Wai Golf Course site. We can probably expect strong opposition from some of us here within the Legislature who feel that that site is inappropriate, and we certainly have heard from a colleague across the street that he is going to strongly oppose this with all of his seventy years of experience and energy.

"Mr. Speaker, the H-3 litigation held up that highway for fifteen years. As one of the attorneys for the Stop H-3 Association, I am aware of the environmental and land use laws that would apply equally to the Ala Wai Golf Course site. H-3 was legally and validly stopped until an exemption was passed through Congress. The Ala Wai site can be expected to be in years of litigation.

"You know, frankly, I've talked to a number of legislators -- senators and representatives -- just off the record in the hallways, and there's a question that a lot of us are asking, and the question is -- it's a silent question ... why not the mauka section of Fort DeRussy?

"Mr. Speaker, for those reasons, I regretfully say that I am voting against this measure."

Representative Bainum then rose to speak in opposition to the bill, stating:

"I will admit, however, that almost any convention center site or bill would be better than the one that the City unleashed on Waikiki residents several weeks ago.

"You might recall, Mr. Speaker, that in addressing a proposal for a convention center here during the regular session, I compared one of the sites to a Godzilla. Well, the City and the City Council's proposal is a pack of Godzillas which would tie up traffic, blight the skyline and environment of Waikiki and its residents for decades to come.

"Clearly, the City and City Council's proposal puts quantity over quality. It put expediency over excellence, and it certainly put profits before people.

"Now, this measure is more like a 'Baby Godzilla.' For the first sixty days of its existence, it's small, it's relatively problem-free (if it remains stand-alone), and while the residents that I represent will not embrace or take it to their bosoms, I don't think they'll be in great despair.

"But, if it goes to the golf course site, then there's problems for the residents, and it's basically three main problems.

"The first one is that they see it as the beginning of Waikiki, with its unique challenges and development, in the quiet residential community of McCully/Moiliili.

"Secondly, the bill does not guarantee that vehicular access would be just from the Ala Wai Boulevard site.

"Third, there's various disruptions to the schools. They are concerned about the noise and strangers in their community. The golfers, of course, fear the loss of the golf course, and everyone fears the loss of green and open space.

"For these reasons, I must vote no on this measure.

"I have some additional remarks I would like to enter into the Journal."

The Chair, noting that there were no objections, "so ordered."

Additional remarks by Representative Bainum are hereby inserted:

"We have gained an unfortunate reputation for over-studying various needs or projects. But here is a case where we admit this Legislature does not contain experts on convention centers, yet we are being asked to cast our votes for a highly preliminary design that is only one step away from being on the back of an envelope. And furthermore, it is based on attendance estimates strictly relating to mainland facilities. And only the successful ones at that!

"We are being asked to agree to approve one approach that has a built-in switch in the track when it doesn't work out so that a second approach will then take over. Obviously, we must also like that second approach, that of building the center on the golf course, or would we be approving it now with this vote? Approving a facility on the mauka side of the canal is condemning one of the fine residential areas left near Waikiki to become another Waikiki of encroaching businesses and displaced humans. Have we not yet learned our lesson that the true assets of Hawaii and Honolulu are its people, not more concrete and upstructured views?

"Yes, our visitor experts tell us all that they would like to have a convention center. If we are to do them the favor of granting them that wish, please let us all make sure that it is the RIGHT design in the RIGHT location at the RIGHT cost and that our citizens do not have to suffer in the process. THIS bill does not meet any of those essential needs."

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

"Mr. Speaker, I rise to speak in support of this measure because I believe it is an indication of responsible action that the House is taking. After much debate, much deliberation over many years on a variety of sites, through hundreds of hours of hearings and lots of testimonies by many, many people, the House is now poised to move forward a vehicle that will enable us to once and for all make a decision on this important issue. While I wouldn't state that this issue was as important as the issue regarding statehood, it is nevertheless an important issue for our State because it helps us, not only diversify our tourism industry, but it helps to revitalize an area that I believe everyone agrees needs that revitalization.

"I also believe that in evaluating all of the sites, that the House has done the responsible thing. We've come

up with a measure that meets the industry criteria, that allows for expansion, that allows for a minimum of 200,000 square feet of exhibit space on one level that will accommodate a 675,000 square feet of gross exhibit meeting room space so that we will be able, not to attract the mega-conventions -- that's not our market -- but to enable us to attract a lot of mid-sized conventions that can be held in the convention center at the same time, and bring more tourists to our State to build up our economy. I believe, Mr. Speaker, as we looked at all of the sites, we crafted a plan that would meet the objections of many, recognizing that there is no perfect site. Even Fort DeRussy which, at one time was the favorite site and took lots and lots of debate, now comes up again.

"It seems like we always go full circle on these issues, but we have taken a responsible position. We look first at the Aloha Motors site, try to work with that site because it is a readily available site because the land is clear. It is a vacant lot. If we cannot come to an agreement, then we move to the Ala Wai Golf Course site that would give us much more flexibility in the years to come. Either one of these sites would serve our community well. I think the complaints that various individuals have brought out could be mitigated.

"Mr. Speaker, I believe it is folly for us to think that there will be more than one center built in the City and County of Honolulu. There will only be one state convention center, and that is going to be the one that will be built with an increase of one percent in the transient accommodations tax, built with the visitor industry's support, and be built by the authorization of this bill.

"Mr. Speaker, I know that we are continuing to discuss this item with our colleagues downstairs, and it is my hope that as we move this vehicle forward and continue discussions, that when we do adjourn sine die at the end of our special session, we will have seen that the House has in fact taken the responsible action, our colleagues in the Senate have concurred, and we will in fact have a convention center for the State of Hawaii.

"Thank you."

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

"First of all, I would like to commend you, Mr. Speaker, for your courage in bringing forth a bill to the Legislature regarding the convention center. It would not have become a reality without your having taken this action. You've really put the ball in the court and without it, we couldn't play. I commend you that you've held to the coalition standards of a minimum convention center that the experts feel that we need, and so thank you for that. I hope that we do hold to these standards and further negotiations. I read that we should keep 8.2 acres for the state convention center, and I do hope that that does not decrease, that we go no further, and we do not retreat from that position.

"I'm thinking that probably the convention center will happen at Aloha Motors but there was a lot of discussion about Plan B -- the big IF -- IF it doesn't work out, it goes to the Ala Wai Golf Course. And I would like to address a few more words on the golf course situation.

"I said yesterday that I was happy that the Kapolei Golf Course would go to the City in this version of the bill because local folks really need another golf course, and they need low green fees as available on municipal courses. Now I know there was a lot of discussion as to how we got the course and how it got built, but I feel that that is really all water under the bridge because the reality

of the situation is we now have Kapolei under the jurisdiction of the State, but we are not in the business of running golf courses. The State has passive parks and so who else could run it but the City and County. Therefore, I feel that we should turn Kapolei over to the City because we are really intruding and modifying the existing Ala Wai Golf Course.

"Now if we did sell Kapolei for \$30-million or whatever to a private interest, then we would be paying private rates of forty dollars green fee or eighty dollars or a hundred and twenty dollars as opposed to the municipal rate of fourteen dollars per eighteen holes. We just don't have enough affordable courses for locals and tourists alike, and Larry Tanimoto could speak very eloquently on this subject. He would be very happy to tell you all about it.

"The state and the county should build more courses as well as parks, hiking trails and beach parks but please, we don't need a golf course in Diamond Head Crater.

"Regarding HFDC and their loss, I do think we should make them hold in some other way, but we need Kapolei in this bill.

"I am asking you to please vote for this measure to keep it moving forward, to help make our minimum-size convention center a reality.

"Thank you very much."

Representative Hirono then rose to speak against the bill, stating:

"A previous speaker likened this bill to a baby Godzilla. I liken this bill to the Alien. After a sixty-day incubation period, it bursts forth and grabs the Ala Wai by the throat and sucks the life out of it. It is for that reason that I cannot support this bill.

"The Ala Wai Golf Course is the most heavily-used golf course in the nation and it provides healthy recreational activities to local golfers who otherwise would have to drive long distances and pay higher fees. It is a welcome spot of green in a sea of concrete, and it is a needed buffer between the development and pressures of Waikiki and the surrounding neighborhood.

"I support a convention center; I do not support holding the gun to the Ala Wai Golf Course and holding it hostage to move our efforts toward accomplishing a convention center bill.

"Thank you."

Representative Herkes then rose to speak in support of the bill, stating:

"Mr. Speaker, I have managed a convention hotel and I have traveled this country selling conventions and everywhere I went, I found new convention facilities, brand new, high tech, trying to capture this segment of the business.

"Hawaii has a nice piece of this business now and we are going to lose it. We are going to lose it unless we compete with these other convention centers. They want these high tech facilities. The audio visual requirements are very up to date, very modern, very complex ... we need to do that.

"Now, one of the things that has bothered me in all of these discussions is the unrelentless pressure of the developers on this Legislature. Our job, Mr. Speaker, is to select the best convention site, build the best

convention center that we can so that we can create a tax base to fund schools, roads, social programs, provide jobs. The interests of the developers do not parallel the interest of the people of this State, and I resent this constant intrusion on to the time and minds of the members of this body.

"Mr. Speaker, I think that you have done a good job in separating yourself from these pressures, and I would say to those developers ... please don't send me any more of your stuff. I'm not interested in how it's going to benefit you. I'm interested in how this convention center is going to benefit the people of Hawaii.

"I urge you to support the bill.

"Thank you."

Representative Ward then rose and stated:

"Mr. Speaker, I rise to also speak of the hurricane that's coming to Jurassic Park. That is something that I think we need not fear. It's something that I think we can draw upon from the experience of someone we were honored and privileged to meet a while ago. . . in favor, obviously, lest there be any equivocation on that.

"We had the honor and privilege of meeting Prime Minister Margaret Thatcher about six months ago, and you know she was the former Prime Minister of UK and she went through a lot of battles -- worse than the one that we're going through, Mr. Speaker, a lot bigger and fiercer. But she spoke on two subjects which I think is related to this bill. She spoke (1) on entrepreneurship, and (2) she spoke on leadership.

"When she spoke on entrepreneurship, she said that to secure our economic future, we must act entrepreneurially. We must be innovative and creative to compete in a world where entrepreneurship is breaking out all over the world. The truth of the matter is ... tourism is dying in Hawaii. I was just in Bali a number of weeks ago. They have three million tourists ... from a Third World country overnight into three million tourists. We have taken for granted, for decades, people are going to come and come and not question why they're coming here.

"One of the things, in turning around and diversifying our economy, is the convention center. It's probably the biggest revival and project that we have this century to decide upon, which leaves to the second point of which she spoke of.

"She talked about leadership. Margaret Thatcher is a leader and she spoke on leadership. She said, 'You don't lead by committee and consensus and then expect everybody to agree on everything and every decision before you act upon it. The job of leadership is to lead.' The job of leadership is to lead, particularly when the harangue that's going on between the House and the Senate right now may be so high and heavy that some of us may have forgotten why we're here, why the Governor sent us here, and why the people sent us here. They sent us here to make a decision, they sent us here to lead, they sent us here to be risk-takers -- risk-takers in the sense that we're not going to please everybody, regardless of what site that we choose. There are down-sides on each site but there are down-sides to the careers that we have as politicians.

"The Chair of Tourism said that 'this is a hurricane coming.' Well, you can't get out of a hurricane's damage. It's going to create damage. There's going to be a political down-side to each one of us in each of our districts. We're not going to please everybody all the

time, as Lincoln said, but that's the job of leadership -- to lead, to take the risks, to take the innovative and creative path, and when the down-side comes, for the sake of the State and the greater good for the jobs and the economic development, that's what we've got to do.

"So, Mr. Speaker, I pose this as the question ... can we be entrepreneurial, and can we be leaders?

"For the businesses in our State that are failing and the people who are losing their jobs, Mr. Speaker, we can be nothing less than that.

"Mr. Speaker, lastly, I charge you ... you are our chief negotiator. We funnel everything that we feel through you and you're the one with the Senate that's now going to be negotiating, and you are the one who needs to be the chief entrepreneur and the chief leader. We need the convention center for the economic future of the State and, Mr. Speaker, may you have the guts and determination of Margaret Thatcher to see it through.

"Thank you."

Representative M. Ige then rose to speak against the bill, stating:

"Mr. Speaker, when the world economy turns sour, so does Hawaii's tourism, and so does Hawaii's economy.

"The perfect example is right now. Today, many small businesses are on the verge of closing up shop due to the poor economic times. We are victims of the world economy ... victims of circumstance.

"Hawaii's dependency on tourism as its primary engine to generate revenues was absolutely necessary in the past. That was yesterday.

"But today we have a new opportunity, an opportunity to take a stand and say, 'enough is enough, that we must, for the sake of our future, diversify our economy.' We cannot afford to spend \$350-million to target yet another segment of the tourism market, to put more eggs in the same basket.

"Today, we have a chance to outline our goals for the future.

"I am hopeful that the 'no' votes here today would support economic diversification.

"I am hopeful that the 'no' votes here today would encourage further discussion on Hawaii's preferred future.

"I am hopeful that the 'no' votes here today will be the beginning of a better and brighter tomorrow.

"Mr. Speaker, under the State Planning Act, Chapter 226-4, in order to guarantee those elements of choice and mobility that ensure that individuals and groups may approach their desired levels of self-reliance and self-determination, it shall be the goal of the State to achieve (1) a strong, viable economy, characterized by stability, diversity and growth that enables the fulfillment of the needs and expectations of Hawaii's present and future generations.

"Thank you."

Representative Young then rose to speak in support of the bill, stating:

"Just to add a point from the Hawaii Visitors Bureau and some marketing research, they project that with the convention center, we can diversify, we can attract other

business visitor industry, and we can perhaps have a projection of at least a million dollars a day when the operation is in fact fully operational.

"I would like to say there have been many eloquent speeches today. I am going to take a very unprecedented move and ask that the Minority Leader's speech -- Representative Gene Ward -- be incorporated into the Journal as if they were my own.

"Thank you."

The Chair "so ordered." (By reference only)

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

"I wasn't prepared to speak and I wasn't going to speak but I thought I'd speak to clarify some, I think and I believe, misconceptions about this whole measure before us.

"Some of the opponents of the convention center measure made statements about diversification of our economy. There are some of you who can remember when I suggested, several years ago, that we need to strongly diversify our economic base because tourism is sliding. I really believe, in my heart of hearts, that tourism is going to go the way of sugar and pineapple. I've shared that with some of you many times before.

"We were the leader in the world in the cultivation of sugar. We shared that technology with the rest of the world and we became a non-leader, and today we are seeing the demise.

"The same thing happened with the pineapple industry. We developed that industry. We shared that with the world and today, pineapple is just a small industry in the State of Hawaii.

"We were the leaders in the tourist industry. The sun, sea and surf destination resort was developed here in the State of Hawaii. The concept of HVB was developed here in the State of Hawaii, but today we face foreign competition. We face competition from the likes of Bali to all of the Caribbeans, Mexico, the Gold Coast of Australia, Saipan. They're all into the sun, sea and surf destination resort. We are not -- we are not -- the only players. We have competition. And I have even suggested that the banks take a look at this too because I believe the economists -- and I blame them -- have not looked at foreign competition as a major factor.

"Now, how do we get out of this? We've got to develop a convention center because it is not enough to have the sun, the sea and the surf. Not only that, we talk about tourism putting a lot of pressure on all of our assets here, on our environment. With the advent of a convention center, we find that we're going to be drawing bigger spending tourists here.

"In the past, our visitor industry was fueled with the notion that we had to have more and more tourists. I remember the day that we had a million visitors coming here to the State of Hawaii. That was a big deal. Then it went to two million, three million, four million, and everytime that we hit another million, it was a big deal. My question to the tourist industry in the years past was ... when are we going to stop? To accommodate all of these tourists, we're going to have to pave over and concrete over the very thing that the tourists came to see in the first place, and one of the answers anyway is a convention center. We will have a higher paying tourist. I really believe that we need one. I don't think the discussion should be whether we need one or not.

"One thing I would like to clarify. One of the speakers before us said it is the taxpayers who are going to be burdened with the cost of this convention center. It is not.

With the implementation of the tourist accommodations tax by another one percent, it is the tourists themselves, the industry themselves, who are going to be burdened with this cost -- not the taxpayers of the State of Hawaii.

"I'll tell you what ... the taxpayers of the State of Hawaii better hope that we build this convention center because (1) it's not going to be coming out of their pockets; and (2) what is the engine that is fueling the whole economic base for this State? It's tourism, and we've got to keep it healthy.

"Let me reiterate and say it one more time ... it is not the taxpayers of the State of Hawaii that's going to be paying for this convention center. If it is, it's going to be a miniscule portion that it's not going to even count.

"Mr. Speaker and colleagues, I don't believe that the argument here, the discussion here, is whether we should have one or not. I merely believe that the only discussion that we should have is ... where do we put one?

"I ask that we support our leadership, support them, and whatever decision that they arrive at, we need to go home with a decision. We cannot forestall this decision any longer.

"Thank you, Mr. Speaker."

Representative Thielen then rose and stated:

"I wholeheartedly support having a convention center in Hawaii, but with just a gentle rebuttal to our Minority Leader, I would like to note, Mr. Speaker, leadership also means that you have the courage to 'just say no.' Just say no to a substandard site -- Aloha Motors -- and just say no to our community's golf course -- Ala Wai Golf Course -- and move ahead to get us a convention center that will really suit the people of Hawaii and our State."

Representative Lee then rose and requested that his remarks, in support of the bill, be inserted into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Lee's remarks are as follows:

"Mr. Speaker, I rise to explain my vote in support of H.B. S5-93.

"As I stated on Second Reading, I have grave misgivings about naming the Ala Wai Golf Course as an automatic fall-back site. I am opposed to taking public parkland for the convention center. Both Mr. Michael Carr and Dr. Richard Kelley of the industry believe we could well wait for the regular session before taking up an alternative site to Aloha Motors.

"However, I strongly support a convention center. Hence, I will have to take the whole and not only one part of the bill."

The motion was put by the Chair and carried, and H.B. No. S5-93, entitled: "A BILL FOR AN ACT RELATING TO A CONVENTION CENTER," having been read throughout, passed Third Reading by a vote of 39 ayes to 11 noes, with Representatives Amaral, Apo, Bainum, Hagino, Hirono, M. Ige, Shon, Takumi, Tam, Taniguchi and Thielen voting no, and Representative Arakaki being excused.

The Chair directed the Clerk to note that H.B. No. S5-93 had passed Third Reading at 12:55 o'clock p.m.

H.B. No. S6-93:

Representative Bunda moved that H.B. No. S6-93, having been read throughout, pass Third Reading, seconded by Representative Ishii-Morikami.

Representative Thielen rose to speak against the bill, stating:

"Now that all of my colleagues have had a chance to sleep on the amendment that I proposed which would prevent insurance companies from arbitrarily cancelling older people, country folks, young drivers, and refusing to renew their policies, I would ask each of you, if you agree with me and if it appears we're going to extend, that you at least contact the Senate and see if they would be receptive to amending the bill that we're going to pass over to remove that word 'solely' and have at least some fairness for the consumer.

"The way it is written presently, Mr. Speaker, is that it easily allows insurance companies to discriminate against categories of people, to redline Waianae and other areas where people have to drive too far to get to work. And look out for the island of Hawaii because. . .

At this point, Representative Peters rose to a point of order and asked:

"Can the speaker show me where Waianae is listed in this measure? I'd like to single it out."

Representative Thielen answered:

"My worthy colleague across the aisle and I will get together after session, Mr. Speaker, and probably in a couple of months when we find out where the redline. . .

The Chair interrupted and stated:

"Representative Thielen, you should be a little more careful when you name areas. Please proceed."

Representative Thielen thanked the Chair and continued her remarks, stating:

"Also, we take a look at the island of Kauai where they are having such a difficult time with insurance now, and the insurance companies, with the way the bill is written, are going to be free to select and choose which people that they are going to say ... you're cancelled, you're out. That's going to be 12,000-plus people. Actually, Mr. Speaker, the insurance companies are holding Hawaii residents hostage. They're using the Iniki disaster as their rationale or a reason to get the Legislature to fast-track legislation to lower their risks.

"Will our rates be lower? Have they committed to that? No. No insurance company is going to say that they are going to lower rates because we are eliminating the take-all-comers provision.

"Will the insurance companies' risk lessen? You bet it will. We allow the companies to drop 12,000-plus insured drivers, and I am sure that everyone in this room is going to know some of those drivers and I hope hear from them. There is no guarantee the insurance companies will drop the rates.

"Will the bill increase the availability of insurance for our consumers, including the homeowners' insurance? Well, it will increase the availability of insurance for the high risk drivers and the bottom fishers are already

poised and ready to come into the market to pick up those two percent drivers whom they will charge more excessive rates than they are charged now. We're handing the insurance companies a guaranteed profit on a silver platter at the expense of the consumers.

"Frankly, I think stockbrokers should take notice of our action today. Insurance company stocks should be upgraded to a buy -- expect big profits in the future. And the consumers should take notice today. Redline categories ... look out for your rejection notices in the mail. Frankly, Mr. Speaker, I think this bill should be called the 'Insurance Company Profit Plan.'

"For these reasons, Mr. Speaker, I am voting no on the measure."

Representative Hirono then rose to speak against the bill, stating:

"Mr. Speaker, I thought the days of voodoo economics and trickle-down theories ended with the 1992 election. I was wrong. They are alive and well in this proposed no-fault bill.

"What does the industry tell us this bill would do for the benefit of consumers, in theory, because let's face it, they have not presented us with any facts. But in theory, they tell us ... well. . . Will it bring down premiums? We ask. They say ... no guarantees. Will it mean that companies that are already here will begin to compete like they're supposed to be competing? No guarantee. 'Gosh, we hope so,' they say. Will it bring more insurance companies into the State? 'Well, maybe,' but they can't name any right off hand. Will it bring down premiums, again?

"Bottom line ... that's what people are interested in. Is this bill going to bring down premiums? Is it going to make no-fault insurance more available? The industry was asked that point-blank at our hearing. No guarantees. 'Gosh, we hope so.' Will it apply fair criteria in deciding who will not get their policies renewed? Remember that this bill is going to allow the insurance industry to non-renew 12,000 people. Put yourself in their shoes. What if you got from your insurance company a notice that says ... you're not going to be renewed. How can we be assured that they are doing that in a fair way? We better keep our fingers crossed. Will this bill increase the number of people who are covered by insurance? No way, but maybe eventually the benefits will trickle down to the consumers.

"What, Mr. Speaker, does this bill do in fact as opposed to theory? First, it allows again ... we've been talking about 12,000 people. These are real, live people. This is not theory -- these are people who are going to get notices from their insurance companies saying ... we're not going to renew you. That's just for starters. Every year thereafter, the companies can add another two percent to this group of non-renewed people. It doesn't even stop there. In addition, for every two new so-called policies that they issue, they get to non-renew one more.

"What will be the result of all of this? Thousands of policyholders will face non-renewal and will have to scramble for coverage to protect their cars, their properties, themselves, their families, and then, Mr. Speaker, if they show a good-faith effort that they couldn't get insurance, they are entitled to go to the Joint Underwriting Plan where they will be privileged to pay higher premiums. The agents, meanwhile, will have the additional task of directing all of these thousands of people to the Joint Underwriting Plan. The agents better hang on to their errors and omissions policies.

"We all know that Hawaii has thousands of car owners on the road without insurance. This bill will only worsen that problem. Indeed, there is not one shred, not one shred of evidence, that this bill will make no-fault insurance either more available or more affordable. And for those who may become victims of uninsured motorists or face non-renewal, the odds are not in their favor.

"When we passed the comprehensive no-fault insurance bill in 1992, we made major concessions -- major concessions -- to the industry in exchange for one basic giveback -- a one time, guaranteed, immediate relief of fifteen percent rollback in rates. This body has unanimously passed the fifteen percent rollback, first in 1992, then again this past session in the form of House Bill 775, before the bill was amended in conference.

"Mr. Speaker, under this bill, what do the consumers get for all of the additional sacrifices that are being forced upon them through this bill? The answer -- nothing, zero, nada. We made a commitment to roll back the rates fifteen percent but we are told that this rollback is unenforceable. Says who? Not our courts. In California, the Insurance Commissioner fought the insurance industry in the courts, tooth and nail, got the premium holders their rollback to the tune of \$351-million. Take a moment to let that sink in -- \$351-million were returned to the California ratepayers as a result of the twenty percent mandated rollback, Proposition 103, that they passed, the most recent settlement agreement on rollbacks being \$110-million by All-State to California ratepayers.

"We're also told that the fifteen percent has been factored into the rates that have been approved by the Insurance Commissioner since the passage of the reforms in 1992. Now, does anybody really believe that? Does anybody believe that we got our fifteen percent rollback? Mr. Speaker, I can tell you that the fourteen thousand people who have signed petitions, and I'm sure you're all wondering what these boxes of things are here ... these are petitions. This represents the thousands of people ... a couple of weeks ago I said it was thirteen thousand, now it's up to fourteen thousand and its growing. These are people who sincerely want their premiums lowered. These are people who are asking us ... before you continue to impose more limitations on us, at least ask the right questions, at least ask the insurance industry. In fact, not just ask, let's demand from the insurance industry that we are going to get affordable available insurance. We have asked those questions, and we have gotten absolutely no assurances.

"The people who have contacted me are just your rank and file -- everyday people. These are consumers who live throughout the State. They not only have returned letters, signed petitions, they've contacted me over the phone. Let me just very briefly refer to one short letter from somebody in Hilo. He says: 'I'm a retiree and served in the Armed Forces during World War II. My auto insurance increased a hundred and eighty dollars more for the next six months, and this is only for liability. Please, help us.' I have hundreds of contacts of people like that. They just want us to do the fair thing for them. This bill is not it.

"I'm very saddened that in spite of the fact that so many people have called us and continue to call us, that we are prepared to push this bill forward without any guarantees, without any reassurances from the industry, that this is going to help consumers, and in all good conscience, I would urge all of my colleagues to heed the call of all of these people, and to vote against this measure.

"Thank you."

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

"Mr. Speaker, first, I would like to thank Senator Donna Ikeda for her diligent and tireless efforts in hammering out this bill. This bill is very difficult and very controversial.

"I'd like to also thank my staff, my colleagues, and others who have provided the needed expertise and support to develop this bill.

"Mr. Speaker, this bill makes a major change in the no-fault law. We do not make these changes lightly. All of us in the House have gotten calls from constituents complaining about the high cost of insurance and the need to reform insurance laws.

"We have heard those voices of concern. And we have responded.

"We have increased consumer protection by clarifying laws so that consumers can choose the amount of coverage they want for protection against uninsured and underinsured motorists.

"We have expanded the joint underwriting plan to ensure that everyone will have a chance to obtain an auto insurance policy.

"We have required statutory changes to continue to be incorporated into rate filings to further rate reduction.

"We have strengthened the law against fee-splitting in a further effort to keep medical costs and fees reasonable.

"And we have added anti-discrimination standards to ensure fair treatment of consumers. And in doing so, we used the strongest language possible to send the clear and unmistakable message that discrimination of any kind is illegal and will not be tolerated.

"Mr. Speaker, we drafted this provision so that the burden -- the burden -- will squarely be on the companies to prove that they did not discriminate, not the other way around. In doing so, we used the strongest language possible to send clear and unmistakable message that discrimination is wrong and will not be tolerated.

"Still, Mr. Speaker, we are criticized by those who say that this bill is anti-consumer. There are those people who purport to speak for all consumers who are upset because two percent of drivers might not get their insurance renewed.

"Mr. Speaker, who is this two percent that they are defending so passionately? In truth, Mr. Speaker, they are the highest risk drivers: the ones charged with driving under the influence; those who have had their licenses revoked; drivers who have been involved in accidents, time and time again, who have been cited by the police for serious traffic violations.

"These are the people, Mr. Speaker, who make up the 'magical two percent' that some people say should have the guaranteed right under the law to have insurance.

"When you look at the facts, are these really the people who deserve to have their policies renewed?

"The truth, Mr. Speaker, is that the good drivers pay for this group -- the high risk two percent.

"This bill responds to the real needs of the vast majority -- the 98 percent majority -- instead of catering to the costly, high-risk minority.

"When we talk consumerism, Mr. Speaker, we should be talking about the needs of the 98 out of 100 people who obey the laws, who drive responsibly, and who have auto insurance now. Being pro-consumer definitely does not mean catering to those who repeatedly flout the law. That's not consumerism, Mr. Speaker. That's bad business. That's bad public policy and a bad precedent.

"What this bill will do is to bring fairness back for the 98 percent majority. For those of us who drive safely and responsibly, this bill will have little effect. We're not going to lose our insurance. As competition increases, we hope to see rate stabilization. And we all will benefit in the long run from the order and stability that this bill will bring to Hawaii's insurance market.

"We, the 98 percent majority, have nothing to fear and everything to gain.

"It is the other two percent who abuse the system, drive irresponsibly, and who threaten the safety of the rest of us every time they take the road, who should be worrying about this bill, and worrying big time. Because for them, this bill is very bad news to them.

"No longer will they enjoy the financial subsidy of passing along their losses to the rest of us in the form of higher, across-the-board premiums. No longer will they be protected by an outmoded, unsuccessful law that forces to give them something they haven't earned and don't deserve.

"Mr. Speaker, fair is fair. This bill is fair to virtually every one of us who drive in this State. And fairness for the overwhelming majority is something that is long overdue.

"I'm proud to say, Mr. Speaker, we have taken major steps to restore a sense of fairness and order. We have made progress in bettering our system of insurance, and implementing a solution to meet the challenges of a changing industry.

"Mr. Speaker, I urge all of you to support this measure.

"Thank you."

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

"Mr. Speaker, when I watched the late evening news last Monday following our vote on this measure. I wondered if the electronic media and I had been at the same meeting because the way they reported the essence of the bill was that we were going to dump twenty-five thousand people off the insurance rolls. Of course, the potential is twelve thousand, not twenty-five, and that's not what this bill is all about.

"What this bill is all about, as the chairman has explained, is that if you insist on getting drunk and getting behind the wheel of your car and going out and causing property damage and injuring, killing, or maiming somebody, we're going to put you over here, in another little category. If you're a reckless driver and you cause injury and damage, we're going to put you over here. If you speed and you cause accidents, we're going to put you over here, into this joint underwriting plan. We don't want you as part of the cost basis for all the rest of us good drivers. We want you over here, in JUP, and are you going to pay more? You bet you're

going to pay more, and you know what? You earned it! Now, are we going to drop you? Are insurance companies going to drop you because you're 18 or 80, or live in Puna? Well, if they do, it's a violation of this law, and we can prosecute you under this law.

"Now, a lot of discussion has been held about the insurance companies rates and profits, and I will remind this body that in the last session of the Legislature, we passed a resolution that asked for a study on insurance rates and the basis for them, and we will be addressing that issue in the next session of the Legislature.

"Now, Mr. Speaker, if I may, I would like to give you a short definition of insurance. It's a feeding trough for lawyers. Most of the opposition in this bill is coming from lawyers. Present company excluded, Mr. Speaker.

"It seems to me that we've hit them right where it hurts -- in the pocketbook. And that must be pro-consumer."

Representative Thielen then rose to a point of personal privilege, stating:

"I would like to state that I do not do malpractice insurance. As a lawyer, I do land use and not personal injury."

Representative Herkes continued his remarks, stating:

"The people on Kauai, incidentally, pay the lowest auto rates in the State. The people on the Big Island pay the highest auto rates in the State and, frankly, we're sick and tired of that distinction.

"This bill, Mr. Speaker, is going to benefit the drivers of my district, it's going to benefit the drivers of your district, and it deserves your support."

Representative Amaral then rose to speak against the bill, stating:

"I should make clear right from the beginning that I don't have a degree in law and I'm not an attorney. However, I still wish to speak against this.

"I need to say that I wish that this bill, in fact, had some very specific language about ... if you operate a vehicle recklessly, or if you have a record of driving in a hazardous manner, then you're not going to be getting more insurance. I wish that that's what this bill said because if it did, I'd heartily support it. In fact, I don't believe that that's what this bill says.

"There are three specific areas of this bill, Mr. Speaker, that I would regard as anti-consumer in nature. I was one of the members of the committee that, in fact, agreed with the one word change in the anti-discrimination provision of this bill, and that is from 'solely' to 'primarily,' and that is because we believe that additional protection is needed to the consumer so that his/her policy could not be as easily cancelled. Therefore, we thought extending the language to 'primarily' instead of the language of 'solely,' would have afforded the consumer that additional protection. This, however, was not done.

"Second, new language has been inserted into the bill -- those of you who have it before you, it's on page 14 -- so that the insurance companies do not have to give continuing notice to consumers, to their policyholders, about the availability of uninsured or underinsured motorists' coverage upon renewal of that policy. Again, this clearly reduces a benefit to consumers, to those of us that drive, but we ask ... where is the corresponding benefit back to them? We haven't found any yet in this

bill. This is another provision that favors the insurance industry.

"Third, there is a provision concerning the written rejection of uninsured or underinsured coverage that also clearly favors the insurance industry and makes it more difficult for consumers to show that an offer of this type of coverage is valid when or where, in fact, it may incorrectly be made to them. Again, there is no corresponding benefit to the consumer. Part of what makes it so difficult to discuss this bill is that the changes are technical, that the changes are substantial, and the impact is substantial upon our consumers.

"It is a difficult bill. I know that the chair has worked very hard to try to make it fair, and I certainly appreciate his efforts and his fair treatment of the committee, but in conscience, after analyzing it, it is not a bill I can take back to my community and say that I can support it.

"Finally, the point is made that this bill increases competition in the marketplace and more insurance carriers are going to find their way to this wonderful place and offer more insurance packages. I saw no evidence of that in the committee. Not a single insurance carrier came before our committee to speak to us. I did not receive a single letter verifying that. This is information based on the say-so of our Insurance Commissioner. That is not sufficient for me.

"It is for these reasons, Mr. Speaker, that I will have to vote no.

"Thank you, Mr. Speaker."

Representative Takumi then rose to speak against the bill, stating:

"First of all, I would like to commend the Chair of the committee and the members of his committee and all the people that he mentioned in his floor remarks for trying to balance the competing legitimate interests as they tried to craft a bill that would meet those interests. However, I cannot, in good conscience, support the deletion of the take-all-comers provision.

"Proponents of this measure have said that Hawaii is one of only two states that does not have this take-all-comers provision, the implication being that it is outdated, outmoded and obsolete. I think we should remind ourselves, Mr. Speaker, that we are one of a handful of states that has universal health care and that does not have capital punishment or legalized gambling. Being in the minority doesn't necessarily mean it's a bad thing.

"But most troubling to me, Mr. Speaker, is that the industry has not given us any assurances, much less any promises or guarantees, that the rates for the low risk drivers -- the 98 percent -- the good drivers -- will go down. It stands logic on its head when you eliminate two percent of your high risk drivers and can eliminate two percent of those high risk drivers each and every calendar year that the rates would go down for the low risk drivers. It's troubling to me again that the industry has not said that indeed the rates will go down for all of us.

"For that reason, I must vote no on this measure.

"Thank you."

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

"Mr. Speaker, during the course of our discussions of this bill, it has disappointed and saddened me to hear

fellow colleagues and members of the media brand this bill as pro-insurance or anti-consumer legislation because the practice of labeling bills during our debate with such pejorative descriptions do not shed light upon the merits of the bill nor do they advance our deliberations. But instead, they tend to direct our debate into an exercise of futility and in name-calling. I urge this body to reject such labels and focus instead on the practice which led to the final form of this measure.

"You know, as a result of Governor Waihee's veto of H.B. 775, HD 1, SD 1, CD 1, for reasons expressed in his veto message dated June 23rd of this year, what emerged is a better piece of legislation which is before us today for Third Reading, carefully redrafted to satisfy all of the Governor's concerns. But more importantly, Mr. Speaker, we should all be aware by now that the limited number of insurance companies who are willing to do business in this State has been a serious impediment to the ability of our constituents to obtain, at an affordable price, the insurance which modern life demands.

"Robert Bunda, Chairman of the House Committee on Consumer Protection and Commerce, undertook the difficult and thankless task of crafting legislation to address this problem. Both before and during this special session, I have watched with interest as Chairman Bunda set about listening and responding to all of the concerns which have been raised in connection with this matter. And in looking back at our relationship as colleagues and friends, I have grown to admire Bobby, as we call him, for his courage, integrity and compassion. You know, when the representative from Wahiawa and I were first elected to this body in 1983, our philosophical differences led us to disagreements whenever the subjects of tort reforms and insurance came up. Thanks to former Speaker Peters, we were put together and argued even more. That's another story. We were younger then and alike in at least one respect -- each of us thought we had all the answers. Time and experience have taught us both that listening is more important than speaking, that reflection is more valuable than ideology. Those lessons are evident in the bill before us.

"I urge those who insist on attaching labels to this bill to examine it thoroughly with an open mind. To do so will reveal that each provision which reduces the restrictions which have been imposed on the free market for insurance has been balanced with appropriate safeguards to prevent abuse by the industry. For example, the provision giving insurance companies the ability to reject the renewal of a limited number of policies is balanced by provisions assuring the availability of alternate coverage and the prohibition against non-renewal based on race, creed, ethnic extraction, age, sex, length of driving experience, marital status, residence, and on and on.

"I am not suggesting that I agree with all of the provisions in this bill but I do believe that the bill, as a whole, is a fair and reasonable attempt to create a healthy and competitive business environment in the insurance industry which will ultimately benefit all of the people of this State. Consumers will be the ones suffering if there is little or no competition for their business. Sure, this bill is not a perfect bill, but I challenge anyone to show me a perfect piece of legislation.

"This bill is a good beginning in addressing the availability and affordability of all lines of insurance. If we find that there are flaws in the bill which deprives consumers in any way, we will be back in four months and we could fix it. But for now, as I read this bill, I can recognize Chairman Bunda's imprint for it proposes a balanced insurance structure and design with fairness in mind. I just want to say this ... in respect to this bill, I,

too, heard insurance companies say, you know, they didn't have all of the answers, that they weren't sure of certain things but, you know, we, as legislators, don't have crystal balls. We've got to take chances. We all have consumers that we represent. We are consumers. Fortunately, I don't have to look for automobile insurance but I know a lot of people do. And so I think that when we really look at this, if anyone is saying that we are here to create anti-consumer bills ... what are we doing to ourselves, not only to our constituents, but to ourselves?

"For these reasons, Mr. Speaker, I support this measure. We'll look at it in four months if there are any problems, and I urge my fellow colleagues to do the same.

"Thank you."

Representative Thielen, in rebuttal, stated:

"I'm not a personal injury attorney, Mr. Speaker. The rebuttal is ... I've looked through the bill, especially after hearing my colleague from the Puna district talk about what this bill would do, that you could eliminate people that have been driving under the influence, those who have had excessive number of traffic tickets, and I went through the bill very carefully, line by line. The real language says: 'The insurance companies can refuse to renew two percent of the total number of covered policies that they hold, and they can, for every two new automobile policies that the insurer writes, refuse to non-renew an additional automobile policy.'

"I don't see any of the categories that he listed, but I do know that what will happen is they will turn to their actuarial tables and some of those twelve thousand plus drivers, including the additional ones that will be the non-renewal when they write two new policies, some of those drivers, Mr. Speaker, will be the young males. I think there are those of us who have young males in our family that are going to get a rejection notice in the mailbox, not because they're bad drivers, but because they're young and they're male, and they are in a so-called high risk category. Older residents who drive long distances will probably get rejection notices. Those who have filed a claim, Mr. Speaker, I have been told by the insurance companies, are going to be among the risk categories that they want to dump. Oh, I always thought you carried insurance in case you got into an accident, and if you got into an accident you were then supposed to file a claim. Well, wrong. You're going to be in that category they're going to want to X-out.

"So I can't see, with all due respect to our chairman, I can't see how this bill, as written, helps consumers. I do see how it helps insurance companies. When those companies get to dump two percent of their existing policyholders, then those companies darn well better guarantee in advance that they will lower rates, and did they do so? No. And so I say that this bill is an anti-consumer bill."

Representative Hirono, in rebuttal, stated:

"I think we better get it in our heads that we are not subsidizing the DUI convicted drivers, we are not subsidizing the people who are getting into numerous accidents, we are not subsidizing all of these people who are already paying a lot of money for insurance because they have a DUI conviction, they have all of these points, et cetera. We are not subsidizing these people. Why is it that so many people have that misconception? We have the joint underwriting program. It has been in existence for a year ... who do you think are in the joint underwriting plan now? The DUI convicted people, the people with all these accidents that they caused.

"The Insurance Commissioner looks at the two percent and she kept referring to them as the two percent that's going to be made up of clean drivers -- clean drivers. She's not talking about the DUI convicted people or these other categories that speakers have previously tossed around that we are supposedly subsidizing, because we are not subsidizing them. It is going to be the clean drivers. These are the drivers who maybe filed a claim last year ... they could be dropped.

"I'll tell you who we are subsidizing. We are subsidizing the younger driver, we are subsidizing the male driver. Why don't we get rid of those provisions? If we're so interested in not subsidizing drivers, we ought to get rid of those categories. But we do not. In fact, those categories are protected in this bill ... that they cannot non-renew on the basis of age, sex, marital status, the littany, and I can tell you some of those categories are those groups that we are subsidizing. Let us get our facts straight.

"You may not like the conclusion that this bill is anti-consumer, but that is the conclusion after an analysis of the provisions of this bill. I don't think that there is anyone here who has read the no-fault law, who has spent as much time on this issue as I have, and I do not claim to be an expert, but I come at it from a consumer standpoint, and I'm saying ... if we are going to do this thing that is supposed to provide affordable, available insurance, I want to be assured that this measure is going to do it. Very simple.

"Thank you."

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

"Mr. Speaker, I don't think there is any amount of oration that I can listen to at this point that can change my mind. You know very well that I said yesterday, Mr. Speaker, that this bill is not perfect, but we will be back in four months and we can look at this bill and if there is some fault with it, we can work on it.

"You know, Mr. Speaker, the speeches are getting longer because Olelo is here, and I am getting hungry so I move for the question.

"Thank you, Mr. Speaker."

At 1:17 o'clock p.m., Representative Apo asked for a recess and the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 1:19 o'clock p.m., Representative Alcon rose and stated:

"Mr. Speaker, with much reluctance, and I don't want to hear any more speeches, I withdraw my motion.

Representative Pepper then rose and stated:

"I appreciate Representative Alcon having withdrawn his motion. It is with the greatest respect for this body that I rise to speak in opposition to this measure.

"A previous speaker had asked for respect for the process by which this bill comes before us today. I assure you, I assure him, I assure this body, and I assure Chairman Bunda that I do have respect for that process and for the efforts for all involved in bringing that bill to us today.

"There is another important part to the legislative process, and that is the discussion and the debate which we have just gone through. I must tell this body that it is

that discussion and that debate which has decided me to vote against this bill. I have become convinced, on the basis of the debate, that the opposition makes more sense to me than those arguments brought forth by the proponents of that bill.

"That is why I am voting against the bill, and that is why I thought it was so important that I rise to speak even though it was late in the debate.

"Thank you, Mr. Speaker."

Representative Tam then rose to speak against the bill, stating:

"This bill, Mr. Speaker, is in conflict with the basis of no-fault insurance. Auto insurance companies will deny auto insurance based on their own guidelines of high risk policyholders. Each insurance company has their own guidelines. You can imagine, after the passage of this bill, it will be even worse. As one who is in the private sector, also on the basis of profit making, insurance companies will make it to their best ability to eliminate their risks -- all risks.

"Also, Mr. Speaker, with the passage of this bill, we the state government, can expect to be in the auto insurance business tomorrow. You can imagine the demand from the general public, screaming for auto insurance -- just like the hurricane insurance. Are we willing to pay for that? The consumers out there will say 'no' and who we're affecting are those who are not high risk people because they will be paying for it, just like every other homeowner in the State of Hawaii now paying for those who cannot get insurance.

"Mr. Speaker and fellow colleagues, for me to go back home to my constituents, and to vote in favor of this bill, I want a guarantee from the auto insurance companies that consumers -- consumers of the State of Hawaii -- will receive a financial benefit, cheaper auto insurance premiums, or a halt on fast increasing rates.

"Thank you."

The motion was put by the Chair and carried, and H.B. No. S6-93, entitled: "A BILL FOR AN ACT RELATING TO NO-FAULT INSURANCE," having been read throughout, passed Third Reading by a vote of 35 ayes to 15 noes, with Representatives Amaral, Apo, Beirne, Hagino, Hiraki, Hirono, Menor, Nekoba, Pepper, Shon, Takamine, Takumi, Tam, Taniguchi and Thielen voting no, and Representative Arakaki being excused.

The Chair directed the Clerk to note that H.B. No. S6-93 had passed Third Reading at 1:23 o'clock p.m.

At 1:24 o'clock p.m., Representative Baker asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 1:29 o'clock p.m.

SENATE COMMUNICATION

A communication from the Senate (Sen. Com. No. 1) transmitting Senate Bill No. S1-93, which passed Third Reading in the Senate on August 25, 1993, was read by the Clerk and placed on file.

On motion by Representative Ihara, seconded by Representative Thielen and carried, S.B. No. S1-93 passed First Reading by title and was referred to the Committee on Consumer Protection and Commerce.

ANNOUNCEMENTS

At this time, Representative Alcon was permitted a late introduction and he introduced the Honorable Deogracias Victor "DV" Savellano, Vice Governor of Vigan Ilocos Sur, Philippines, and his wife, Mrs. Marisa Savellano. They were accompanied by Mr. Ted Saribay and Mr. Abe Carbonel.

Representative Say then rose and requested waiver of the 48-hour notice requirement to hear H.R. No. S3-93 and H.C.R. No. S1-93, requesting a plan of action for a more efficient procurement system, "after session this afternoon," and the Chair "so ordered."

At 1:33 o'clock p.m., Representative Baker asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 1:34 o'clock p.m.

Representative Bainum then rose and invited all members of the House to an informational briefing on the Marine War Response Team at 1:30 p.m. in Room 504.

ADJOURNMENT

At 1:35 o'clock p.m., on motion by Representative Ihara, seconded by Representative Thielen and carried, the House of Representatives adjourned until 10:00 o'clock a.m. tomorrow, Thursday, August 26, 1993.

FOURTH DAY

Thursday, August 26, 1993

The House of Representatives of the Seventeenth Legislature of the State of Hawaii, First Special Session of 1993, convened at 10:15 o'clock a.m., with the Speaker presiding.

The Divine Blessing was invoked by Reverend Maggie Tanis, Ke Anuenue O Ke Aloha, Metropolitan Community Church, after which the Roll was called showing all members present with the exception of Representatives Apo, Arakaki, Hagino, Lee, Peters, Takamine and Tam, who were excused.

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

On motion by Representative Ihara, seconded by Representative Thielen and carried, reading of the Journal was dispensed with and the Journal of the Third Day was approved.

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

Representative Baker introduced John Sabas, Walter Ritte and Colette Machado, "constituents of mine from Molokai."

Representative Thielen then rose and stated:

"I would also like to express my aloha to Colette and Walter for all of their hard efforts on the Kahoolawe case. Because of their strong work and tireless years of effort, we now have the island coming back to our state. My deep aloha to you."

Representative Marumoto then introduced her brother, Allen Okamoto, and his family "who are visiting from San Francisco," as follows: Pat, his wife; Scott, his son, "who is celebrating his 17th birthday today," and Kara, his daughter.

At 10:21 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 11:01 o'clock a.m.

ORDER OF THE DAY

ANNOUNCEMENTS

Representative Bainum rose and stated:

"As you know, the Committee on Energy and Environmental Protection has been having interim work planning for our Summit on October 8, 1993. I would like to ask all members to leave open that day -- October 8th -- from 8:30 a.m. to 2:30 p.m., at the Hilton Hawaiian Village. We hope to have between 400-500 folks from around the state to discuss the work that we have been doing.

"And today, at noon to 2:00 p.m., in Kuykendall, Room 203, at the University, we are going to broadcast out to the neighbor islands, and we'd like to have more folks involved."

Representative Cachola was permitted a late introduction and he introduced Mr. Roy Pilien, "a leader in the Filipino community."

ADJOURNMENT

At 11:05 o'clock a.m., on motion by Representative Ihara, seconded by Representative Thielen and carried, the House of Representatives adjourned until 11:00 o'clock a.m. tomorrow, Friday, August 27, 1993.

FIFTH DAY**Friday, August 27, 1993**

The House of Representatives of the Seventeenth Legislature of the State of Hawaii, First Special Session of 1993, convened at 11:16 o'clock a.m., with the Speaker presiding.

The Divine Blessing was invoked by Reverend Bill Godwin of the First Baptist Church of Ewa Beach, after which the Roll was called showing all members present with the exception of Representatives Bunda, Hagino, Lee, Menor and Peters, who were excused.

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

On motion by Representative Ihara, seconded by Representative Thielen and carried, reading of the Journal was dispensed with and the Journal of the Fourth Day was approved.

At this time, Representative Stegmaier introduced to the members of the House his mother-in-law, Mrs. Clara Sinclair, "a special person in my life who has come here once again to visit our family. She is a public school educator who taught in the school systems of Arizona, Iowa and Ohio as a science teacher in the intermediate and high schools. Somehow, in addition to raising four children and getting a Master's in education from Boston University, she has found the time and energy to be the Director of Preschool Education for Palestinian refugees in the Gaza Strip, and also a liaison between government and community do-it-yourself schools in the western province of Kenya."

At 11:22 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:43 o'clock a.m., the Vice Speaker assumed the rostrum.

INTRODUCTION OF RESOLUTION

H.R. No. S4-93, entitled: "HOUSE RESOLUTION HONORING THE LATE TOMMY HOLMES AND EXTENDING CONDOLENCES TO HIS FAMILY," was jointly offered by Representatives Marumoto, Apo, Arakaki, Bainum, Baker, Chang, Chun, Duldulao, Herkes, Isbell, Morihara, Nekoba, Oshiro, Pepper, Say, Shon, Stegmaier, Suzuki, Tajiri, Takumi, Taniguchi, Tanimoto, Thielen, Tom and Ward and was read by the Clerk.

On motion by Representative Marumoto, seconded by Representative Isbell and carried, H.R. No. S4-93 was adopted.

At 11:50 o'clock a.m., the House of Representatives stood in recess until 4:00 o'clock p.m. this afternoon.

AFTERNOON SESSION

The House of Representatives reconvened at 4:09 o'clock p.m. with the Speaker resuming the rostrum.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 2 to 5) were read by the Clerk and were placed on file:

A communication from the Senate (Sen. Com. No. 2) returning H.B. No. S1-93, entitled: "A BILL FOR AN ACT RELATING TO STATE BONDS," which passed Third Reading in the Senate on August 27, 1993.

A communication from the Senate (Sen. Com. No. 3) returning H.B. No. S2-93, entitled: "A BILL FOR AN ACT RELATING TO THE SPECIAL FUND APPROPRIATIONS FOR HIGHWAYS ADMINISTRATION," which passed Third Reading in the Senate on August 27, 1993.

A communication from the Senate (Sen. Com. No. 4) returning H.B. No. S3-93, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," which passed Third Reading in the Senate on August 27, 1993.

A communication from the Senate (Sen. Com. No. 5) returning H.B. No. S6-93, entitled: "A BILL FOR AN ACT RELATING TO NO-FAULT INSURANCE," which passed Third Reading in the Senate on August 27, 1993.

ANNOUNCEMENTS

At this time, Representative Nekoba was permitted a late introduction and he introduced to the members of the House his friend, Mr. Vance Shima.

Representative Baker: "There will be a Majority caucus at 10:00 a.m. on Wednesday, September 1st, in the Majority Caucus Room."

Representative Say: "Could the Finance Committee members please report to Room 907 for a brief briefing."

ADJOURNMENT

At 4:11 o'clock p.m., on motion by Representative Ihara, seconded by Representative Thielen and carried, the House of Representatives adjourned until 11:00 o'clock a.m. on Wednesday, September 1, 1993.

SIXTH DAY

Monday, August 30, 1993

NO SESSION

SEVENTH DAY**Tuesday, August 31, 1993****NO SESSION**

EIGHTH DAY

Wednesday, September 1, 1993

The House of Representatives of the Seventeenth Legislature of the State of Hawaii, First Special Session of 1993, was called to order at 11:25 o'clock a.m., with the Speaker presiding.

At this time, the members of the House and audience rose for a moment of silence in memory of the late Gerald I. Miyoshi, Chief Clerk of the House.

The Divine Blessing was then invoked by Reverend Lucille B. Mays of the Peaceful Holiness Church, after which the Roll was called showing all members present with the exception of Representatives Apo, Marumoto, Peters and Takamine, who were excused.

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

On motion by Representative Ihara, seconded by Representative Thielen and carried, reading of the Journal was dispensed with and the Journal of the Fifth Day was approved.

ORDER OF THE DAY

INTRODUCTION OF RESOLUTIONS

The following resolutions (H.R. No. S5-93 and S6-93) were read by the Clerk and were disposed of as follows:

H.R. No. S5-93, entitled: "HOUSE RESOLUTION HONORING THE LATE GERALD I. MIYOSHI AND EXTENDING DEEPEST SYMPATHY AND CONDOLENCES TO THE MIYOSHI FAMILY," was jointly offered by Representatives Souki, Alcon, Amaral, Arakaki, Bainum, Baker, Beirne, Bunda, Cachola, Chang, Chumbley, Chun, Duldulao, Hagino, Herkes, Hiraki, Hirono, D. Ige, M. Ige, Ihara, Isbell, Ishii-Morikami, Kanoho, Kawakami, Lee, Menor, Morihara, Nakasone, Nekoba, Okamura, Oshiro, Pepper, Santiago, Say, Shon, Stegmaier, Suzuki, Tajiri, Takamine, Takumi, Tam, Taniguchi, Tanimoto, Thielen, Tom, Ward, Yonamine and Young.

Representative Baker moved that H.R. No. S5-93 be adopted, seconded by Representative Ward.

Representative Baker rose and stated:

"I rise to speak in favor of this resolution with a great deal of sadness on behalf of all 47 members of the House Majority Caucus. It is with sadness that we offer this resolution because it was only a short while ago that we saw our honorable Chief Clerk, Gerald Miyoshi, in these chambers so full of life, transacting business as usual.

"Although I wasn't elected to the State House until 1988, I did serve as a legislative aide to the former Representative Karen Horita in 1987, the very same year that Gerald was appointed Chief Clerk. From the beginning, each of us, in our relationship with Gerald, found a conscientious gentleman who left us with a sense of assurance that all House business or responsibilities that had been delegated to him as Chief Clerk would be taken care of promptly and efficiently. He was a responsible man. He was accountable. He cared deeply about this institution and the people who served here. Better still, once we got to know Gerald, beyond his quiet reserve, he was a downright nice guy, or as others have

put it -- a very kind and compassionate man, and a man who shared my enjoyment for the game of golf.

"Until today, I was not entirely aware of all of Gerald's many talents and accomplishments, but then Gerald had become such a familiar and welcome face, a person that could be defined by other characteristics and attributes that were separate and apart from his Chief Clerk duties. These qualities were not necessarily more important but they'll certainly make vivid memories of a dear departed and loyal friend all the more precious to us. Let us take a quiet moment to reflect upon his qualities. I'm sure that all of you cannot help but smile at some of these very special memories we all have of Gerald for he was indeed a wonderful human being, and we will miss him terribly.

"It is with these wonderful memories that I close these remarks. Although Gerald Miyoshi is not physically present with us today, the memory of him and his presence in this chamber will forever remain in our hearts as one of those downright nice guys we were glad we met, worked with, and became friends with. We will all miss him.

"To Sandi and his three daughters, thank you for sharing Gerald with us. Please accept our warmest aloha and deepest sympathy.

"Thank you, Mr. Speaker."

Representative Ward then rose and stated:

"I, too, rise to speak in favor of this resolution on behalf of the House Minority.

"Mr. Speaker, Gerald Miyoshi was an Aina Haina constituent, a friend, a counselor; he was the one when I was a freshman and came on the floor without a tie, who gave me glib but friendly counsel. He was our Clerk whose voice resonated on this floor and whose voice is still resonating in our memories. In fact, as we hear Madam Clerk and her voice, we know that Gerald's voice is no longer here. It was suddenly snuffed out by these weak bodies that we carry ourselves in.

"We are all going to miss Gerald, and in his passing and in my father's passing, and in Representative O'Kieffe's passing, Mr. Speaker, I am reminded that the nice things that we often wanted to say to somebody ... suddenly they are no longer here in order to say that. I think that's a lesson of what, in Gerald's passing, we can remember, but we can be encouraged to say some of those nice things to each other because, Mr. Speaker, that's two people now in the last few months that have left us. And this is a reminder of how precious the time is that we who are here have left. So, Gerald, you are a reminder for us all to count our blessings, but Gerald, remember, you were one of those blessings.

"Our deepest sympathies to Sandi, Gerald's wife, who, as all of you know, has one of the best smiles and the most aloha than anybody in this State. Sandi, we wish you peace, and we wish you aloha.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and H.R. No. S5-93 was unanimously adopted.

H.R. No. S6-93, ELECTING PATRICIA MAUSHIMIZU AS CHIEF CLERK OF THE HOUSE OF REPRESENTATIVES OF THE SEVENTEENTH LEGISLATURE OF THE STATE OF HAWAII, TO FILL THE VACANCY CREATED BY THE DEATH OF

FORMER CHIEF CLERK GERALD I. MIYOSHI, was jointly offered by Representatives Souki, Young, Baker, Ihara, Okamura, Ward and Thielen.

On motion by Representative Baker, seconded by Representative Ward and carried, H.R. No. S6-93 was unanimously adopted.

Thereupon, the Speaker administered the Oath of Office to Patricia Mau-Shimizu.

At 11:39 o'clock a.m., the House of Representatives stood in recess until 4:00 o'clock p.m. this afternoon.

AFTERNOON SESSION

The House of Representatives reconvened at 4:39 o'clock p.m.

INTRODUCTION OF BILLS

On motion by Representative Ihara, seconded by Representative Thielen and carried, the following bills (H.B. Nos. S7-93 to S10-93) passed First Reading by title and were referred to committee:

House Bill Nos.

S7-93 "A BILL FOR AN ACT RELATING TO A CONVENTION CENTER."

Introduced by: Representatives Cachola and Say.

Referred to: Jointly to the Committees on Tourism and Finance.

S8-93 "A BILL FOR AN ACT RELATING TO PROCUREMENT."

Introduced by: Representatives Say and Kawakami.

Referred to: Committee on Finance

S9-93 "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS."

Introduced by: Representatives Say and Yonamine.

Referred to: Committee on Finance

S10-93 "A BILL FOR AN ACT RELATING TO STATE OFFICERS AND EMPLOYEES EXCLUDED FROM COLLECTIVE BARGAINING AND MAKING APPROPRIATIONS AND OTHER ADJUSTMENTS."

Introduced by: Representatives Say and Yonamine.

Referred to: Committee on Finance.

Representative Baker rose to provide a point of information, stating:

"Members, we'll have on your desks all measures introduced except S8-93 which is the procurement bill. The procurement bill is a hundred-and-something pages long and our printer is still printing it. The Sergeant-at-Arms will deliver to each one of you a copy as soon as it comes off the press. There is a copy at the Minority Leader's desk and the Majority Leader has a copy if any of you wish to peruse it after the session.

"Thank you."

Representative Ward then rose and requested a conflict ruling, saying:

"Mr. Speaker, for many weeks I've said publicly and I've written an article that I support the Ala Wai Golf Course. However, for the last ten or the last twelve years, my entrepreneurial consulting office has been in an office across the street from Aloha Motors. In 1988, my wife and I purchased a condo in that unit, and I wish your determination of that."

The Chair ruled, "no conflict."

ANNOUNCEMENTS

At this time, Representative Say rose and requested waiver of the 48-hour hearing notice requirement to hear H.B. Nos. S8-93, S9-93 and S10-93 on Thursday, September 2, 1993, at 8:30 a.m. in Room 908, for the Finance Committee members, and the Chair "so ordered."

Representative Cachola then rose and requested waiver of the 48-hour hearing notice requirement to hear S7-93 on Thursday, September 2, 1993, in Room 1111 at 9:30 a.m., and the Chair "so ordered."

ADJOURNMENT

At 4:43 o'clock p.m., on motion by Representative Ihara, seconded by Representative Thielen and carried, the House of Representatives adjourned until 2:00 o'clock p.m. tomorrow, Thursday, September 2, 1993.

NINTH DAY

Thursday, September 2, 1993

The House of Representatives of the Seventeenth Legislature of the State of Hawaii, First Special Session of 1993, convened at 2:20 o'clock p.m., with the Speaker presiding.

The Divine Blessing was invoked by Reverend Julia McKenna-Dubin of the Ministry for Divine Harmony, after which the Roll was called showing all members present with the exception of Representatives Amaral, Apo, Hagino, Hiraki, Isbell, Marumoto, Peters and Thielen, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Eighth Day.

On motion by Representative Ihara, seconded by Representative Ward and carried, reading of the Journal was dispensed with and the Journal of the Eighth Day was approved.

GOVERNOR'S MESSAGE

The following message from the Governor (Gov. Msg. No. 3) was read by the Clerk and placed on file:

Gov. Msg. No. 3, informing the House that on September 1, 1993, he signed the following bills into law:

House Bill No. S1-93 as Act 1, entitled: "RELATING TO STATE BONDS";

House Bill No. S2-93 as Act 2, entitled: "RELATING TO THE SPECIAL FUND APPROPRIATION FOR HIGHWAYS ADMINISTRATION"; and

House Bill No. S3-93 as Act 3, entitled: "MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS".

At this time, Representative Beirne introduced to the members of the House Kupuna Adela Johnson, Kupuna Beatrice Soga, and Benjamin Shafer, who "all work very tirelessly for the Kahana Ohana Unity Council, the Kahana Community Association, and the Hui O Koolauloa Canoe Club."

At 2:28 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 2:55 o'clock p.m.

ORDER OF THE DAY

STANDING COMMITTEE REPORTS

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. S7-93) recommending that H.B. No. S9-93 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Say, seconded by Representative Kawakami and carried, the report of the Committee was adopted and H.B. No. S9-93, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. S8-93) recommending that H.B. No. S10-93 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Say, seconded by Representative Kawakami and carried, the report of the Committee was adopted and H.B. No. S10-93, entitled: "A BILL FOR AN ACT RELATING TO STATE OFFICES AND EMPLOYEES EXCLUDED FROM COLLECTIVE BARGAINING AND MAKING APPROPRIATIONS AND OTHER ADJUSTMENTS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. S9-93) recommending that H.B. No. S8-93 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Say, seconded by Representative Kawakami and carried, the report of the Committee was adopted and H.B. No. S8-93, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Cachola and Say, for the Committees on Tourism and Finance, presented a joint report (Stand. Com. Rep. No. S10-93) recommending that H.B. No. S7-93 pass Second Reading and be placed on the calendar for Third Reading.

Representative Cachola moved that the joint report of the Committees be adopted and H.B. No. S7-93 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Say.

Representative Alcon rose and requested that his remarks, in favor of the bill, with reservations, be inserted into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Alcon's remarks are as follows:

"This bill is well intentioned, but it is plugged with buts and ifs, which means that Aloha Motors is almost impossible to acquire because it was designed that way. The golf course also has its obstacles which is almost impossible to surmount. So where do we go from there?"

"The way I see it, this is a round-about way of getting to Gateway. Why do we play games, Mr. Speaker?"

"The end result is no convention center. We like to play insidious political games.

"If we devote the same enthusiasm to our educational program, the \$350-million would be an investment in our most precious natural resources.

"Think it over!"

The motion was put by the Chair and carried, and the joint report of the Committees was adopted and H.B. No. S7-93, entitled: "A BILL FOR AN ACT RELATING TO A CONVENTION CENTER," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Bainum, Hirono, Shon and Tam voting no.

ADJOURNMENT

At 2:57 o'clock p.m., on motion by Representative Ihara, seconded by Representative Ward and carried, the House of Representatives adjourned until 3:00 o'clock p.m. tomorrow, Friday, September 3, 1993.

TENTH DAY

Friday, September 3, 1993

The House of Representatives of the Seventeenth Legislature of the State of Hawaii, First Special Session of 1993, convened at 3:15 o'clock p.m., with the Speaker presiding.

The Divine Blessing was invoked by Dr. Mike Phillips of Wayland Baptist University, after which the Roll was called showing all members present with the exception of Representatives Apo, Hagino, Isbell, Marumoto, Peters, Takamine and Thielen, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Ninth Day.

On motion by Representative Ihara, seconded by Representative Ward and carried, reading of the Journal was dispensed with and the Journal of the Ninth Day was approved.

At 3:19 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 3:46 o'clock p.m.

ORDER OF THE DAY

SUSPENSION OF RULES

On motion by Representative Baker, seconded by Representative Ward and carried, the rules were suspended for the purpose of considering bills on Third Reading on the basis of a modified consent calendar.

THIRD READING

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

H.B. No. S7-93:

Representative Cachola moved that H.B. No. S7-93, having been read throughout, pass Third Reading, seconded by Representative Say.

Representative Shon rose to speak against the bill, stating:

"Mr. Speaker, on page 2 of this bill, there is listed the recommendations of the so-called experts on the world-class facility, and number five is 'a convention center facility shall reflect the Hawaiian sense of place.' I think this is a very interesting concept, knowing what we know of the state of our visitor industry today. I would like to ask you to think of what the first and last thing is that a visitor to Oahu sees. Nimitz Highway -- a Hawaii sense of place? Think of the cold concrete canyons of Waikiki -- a Hawaiian sense of place?

"Mr. Speaker, a long time ago I used to represent the Neighborhood Board in Waikiki, back when there was a so-called Waikiki Jungle, when Father Phil had his half-way house just opposite the Community Design Center, just around the corner was Elsie-Losie's small house on Kuhio Avenue, around the corner from that was the original Waikiki Health Center. It's true, Mr. Speaker, the Jungle grew a bit seedy, but at least it was green, at

least it was on a human scale, and it did recall a Hawaiian sense of place.

"Our visitor industry has decided that tall concrete buildings were better. Today, how many times have you heard, or even said to yourself, I don't want to go to Waikiki if I can avoid it. Almost all of my friends will say if they can go somewhere else to a movie other than Waikiki, they will choose that. Hawaii's idea of improvements have been to drive out small residents for super blocks. We've also driven out live entertainment. Many of you may not know but Hawaii's most prominent local entertainers cannot find regular work in the visitor industry. Perhaps those pushing for a Hawaiian sense of place subscribe to this definition ... find some public green space and pave it over. I humbly suggest that definition is backwards. Perhaps it should be ... find some ugly, overbuilt private parcel and create green space. When our industry leaders talk about a sense of place, I say ... practice what you preach with your own land.

"Mr. Speaker, part of the justification for a convention center is that it will enhance the product that we sell. But the concept embodied in this bill, in my view, Mr. Speaker, is build a big barn and the sacred cows will line up to be milked. Our tourist industry leaders, as well as our competition, seem fixated on selling sun and sand. We offer only a day-time experience. When the sun sets, there really is no marketable product. We are concentrating today on how to enhance that product with what happens in Waikiki, or in a convention center, or in the facilities that we have. We do not have regular entertainment that can be marketed. It's sporadic -- it's intermittent. It cannot be part of a regular package. Some have talked about the visitor industry coming forth and supporting the Symphony so the Symphony can play for visitors on a regular basis, so that you can market that, and those artists will stay in Hawaii. You know that if you go to the Boston Symphony and play in the Boston Pops, you earn \$90,000? And you know in Hawaii you earn \$25,000?

"My point is, Mr. Speaker, that while some talk about promoting the product, enhancing it, cultural events, we have collectively been very slow to really financially support these enhanced products of tourism ... the real reason why people will come back.

"Mr. Speaker, I turn to the inherent logic, or perhaps illogic, of this bill. It seems that through our psychic powers, we've said ... we know just what Sukamoto is thinking without talking to them. I can see it now, Mr. Speaker, a great Karnick with his borderline divine ways, because I know exactly what the thoughts of the landowners are. The answer is ... they need us. And how do we know that? Of course, we don't talk to them. We know that because they've been talking to the Senate. Why, isn't that proof that we know just what they're thinking and just what they're planning? The basis of this bill seems to be, again and again justified -- they need us!

"I have another question for Karnick. If we know they need us, then why is the Ala Wai in here at all? Oh, yes, the answer is obvious. The golf course site really puts the pressure on.

"Mr. Speaker, at least a dozen members of this honorable body, and many others, have said to me privately that it would really be crazy to even try to build a convention center at the golf course, knowing the political battles, knowing the years of litigation and squirming that would be involved, so I asked Karnick

just who exactly is under pressure as the clock begins to tick down those thirty/sixty days. 'Gee,' says the landowner, I think maybe this land is worth a hundred and seventy million. . .

At this point, the Chair interrupted and said:

"Representative Shon, talking about the clock, your clock has ticked. Your ten minutes has passed."

Representative Hiraki then rose and yielded his ten minutes to Representative Shon.

Representative Shon thanked the Chair and continued his remarks, stating:

"As the clock ticks down, and as we contemplate and we don't cut a deal, we're going to have to go to this battle over the Ala Wai. Who is sweating, Mr. Speaker? What then? Then again, perhaps the real agenda all along has been to build our world-class 'barn' on the Ala Wai and deprive our seniors, our veterans in the urban area, of their most cherished recreational resource. Perhaps the idea behind this Hawaii sense of place is to find more green space and pave it over.

"Mr. Speaker, this is a sample from the folks in the 24th District:

'Dear Jim, nobody wants to go to Waikiki anymore.'

'Dear Jim, I believe no public school ground or park should be used for any kind of development.'

'Dear Jim, don't touch the golf course.'

'Dear Jim, the entire Ala Wai Golf Course should remain a recreational facility for Honolulu's people. Pick a convention center that will have the least infringement on our quality of life.'

'Dear Jim, there should be hotels right next to the convention center.'

'Dear Jim, drop the entire convention center idea. Hawaii is too far from the mainland for major conventions.'

'Dear Jim, get the State out of it. I don't have the confidence that the State can do the job. Look at the Stadium mess.'

'Dear Jim, just use common sense.'

"Mr. Speaker, these were not carefully filtered comments. This is the sense of what over two hundred people wrote to me in a survey. People out there are very ambivalent about this. Common sense, it seems to me, would dictate that we would work with Sukamto on their site at Aloha Motors and that if we are going to raise the tourist accommodations tax, that we increase the floor area and use the extra money to truly improve the product. There's nothing in the bill right now that talks about any kind of a shuttle system between Aloha Motors or the Ala Wai and other hotels. That would enhance the product. There's nothing in here that talks about the inside of the convention center, that it is built to accommodate the needs of the 21st century, that it is high-tech and interactive. There's nothing in here to clean up Nimitz. There's really nothing in here to create a better product other than a large building and that, to me, is one of the most important factors here, is that we're going to raise the TAT, we're going to reject a private developer's development of a center, we're going to reject even the notion of putting money in to increase

the floor space, and I don't feel we are fundamentally improving the product.

"Mr. Speaker, there is no one here who hopes more that you and others can reach an amenable agreement with Sukamto in sixty days, but I feel the cards are stacked against this bill and it would be a tragedy if the clock runs out and we are faced with a political struggle, automatically to build our own second convention center facility at the golf course. I know that we have framed the issue in such a way that has become almost acceptable to reject this bill and to go home without interfering with what the City Council has decided. But I cannot, in good conscience, vote for a bill that violates common sense as basically as I think this one does. If you were in a university class, my fellow colleagues, and you were asked to give an example of common sense and you presented this bill, I am afraid you would not get a very high grade. Talk to people, listen ... they do not feel this is common sense.

"I urge common sense and courage. I cast a no vote on the golf course bill.

"Thank you, Mr. Speaker."

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

"Mr. Speaker, I begin by commending you and Senator Holt as our chief negotiators to bring this bill before us today which we thought may not have possibly been able to appear. It was a long hard struggle where, for a while, it looked as if we were going to bicker and come up with nothing, but we are coming up with an economic project, one that brings jobs to the State, one that brings businesses back into the tourist industry, and one that brings, if our projections are correct, one million dollars a day, or three hundred fifty million dollars a year, which will pay for the convention center in one year's income. It's an economic development project. So in thanking you, Mr. Speaker and Senator Holt, I would also thank the Governor for his job, for his coming in, as I would figuratively say, banging your and Senator Holt's heads together, or whatever you did to get us off the spot where we were.

"And you realize, Mr. Speaker, your House Minority Caucus, that is, your loyal opposition, that called just for that, that the Governor would step in with a high profile leadership and get us moving in the direction of deciding on the convention center, and I thank all of the others who also prodded the Governor to get moving.

"What we have today, Mr. Speaker, is a bill that says ... Bappak Sukamto, ada hanya satu chan lagi mengadakan, convention center the Honolulu, which is to say in Mr. Sukamto's language in Indonesian ... Mr. Sukamto has one more chance to build the convention center in Hawaii and that's it. He has sixty days in this bill which is a long time if you're negotiating as hard and heavy as you have, Mr. Speaker, in these last few months. After the sixty days have passed by, we won't look back and we'll go to the golf course.

"This bill is fair because it chooses the most expedient site at the Aloha Motors first and it should be chosen, but if these negotiations don't come through, the most professional site -- the Ala Wai Golf Course -- should be chosen and in this bill is designated as second, and that's the way it should be. For either site, however, Mr. Speaker, it will take political will to execute this project. NIMBYism has taken on a higher level of political volatility, and as we pass this bill we know that one person -- the Mayor -- has vowed to stake his life on this project, or the prevention of this project.

"Mr. Speaker, it will take political will to make sure that this convention center is built on budget. Three hundred fifty million dollars is what we have set and as I said in committee, we should mean what we say and say what we mean when it comes to money. We should not be wimpy and weak-kneed about this. We shouldn't have to pick old sores and remember, as I remember as a freshman, I was appalled, Mr. Speaker, when we passed the bill to renovate the Capitol and as soon as we passed the bill, the price tag went up immediately. We were red-faced, at least some of the freshmen were. We were wringing our hands, and others were explaining what we thought we were doing and what we meant to do, and what we didn't realize was going to happen.

"So, Mr. Speaker, let's watch this one. Let's be diligent, let's keep the Convention Center Authority, DAGS, the Governor, and all who have a hand on the project accountable, honest, and hardworking, and realistic. We, Mr. Speaker, have not been our own best watchdog when it comes to keeping costs from overrunning. What we need is a public/private watchdog to keep the project on time and to keep the project on budget.

"I call upon, encourage, and challenge Mr. Mike Carr and his visitor industry coalition, not to disband with the passage of this legislation, but to pass from being advocates of the convention center to being auditors who will encourage the momentum and keep it on time and keep it on budget. The reciprocal of this is to call upon, encourage and challenge Mr. Takaki of the Convention Center Authority to welcome and work with Mr. Carr and his group as they have so well in the last six months.

"Lastly, Mr. Speaker, again my congratulations to you, the Governor, the Finance Chair, Tourism Chair for what you have done today in getting this bill before us. But, Mr. Speaker, where rests the glory, there also rests the responsibility. May you again have the guts and determination to see this project through and, Mr. Speaker, I look forward to the topping-off party that you will invite us to, which will be before the end of 1997, and with a price tag that says three hundred and fifty million dollars.

"Thank you, Mr. Speaker."

Representative Bainum then rose to speak against the bill, stating:

"Today, I will not speak in movie metaphors. Rather, I'll offer a note of congratulations and some notes of caution.

"First, to the House leadership and particularly to you, Mr. Speaker, thank you for sticking to your guns, for standing up for a stand-alone center. And this speaks of the House sensitivity to those residents who live in the areas, to those who would drive by this project, for the visitors who will visit the center as well as the visitor industry itself.

"Contrast this with the City's proposal.

"Everytime I see that slick commercial touting the benefits of the four towers of the Aloha Motors convention center, I wonder, benefit -- for whom?

"Everytime I see that commercial, I see four titanic towering messages for the residents who live in and around Waikiki, and for those who would ever have to drive by that traffic disaster.

"The towers remind me of what Oliver Wendell Holmes said: 'Consciously or unconsciously, we all strive to make the kind of a world we like.'

"Well, the residents of Waikiki grow weary of towers of concrete. We grow tired of our community being developed to the point of extinction.

"Again, thanks, Mr. Speaker, for fighting for a stand-alone center.

"My opposition to this measure lies in what happens if sixty days pass and the center moves on to the golf course. I have spoken on this floor and in caucus of my concerns about the golf course site.

"First, the intrusion of resorts into the peaceful community of McCully/Moiliili.

"Second, the pressure for more development and additional traffic access, and the loss of precious green space and the golf course.

"If this bill does pass, and the convention center site ends up being the golf course, I want every member of this chamber to know that I will be coming around to see you in January and asking you to help me amend this measure so we can include some safeguards for the residents that I represent. Safeguards such as language assuring that vehicular access shall only be from the Ala Wai Boulevard, that development will be prohibited, other than the center itself, within a mile mauka of the convention center, and money, Mr. Speaker, for the actual cleanup of the canal.

"One TV reporter said last night on TV 'that only token opposition to this bill is expected.' Mr. Speaker, let me assure you my opposition to the golf course site is not token and is not short-lasting.

"My opposition springs from genuine concerns of the problems an Ala Wai Golf Course site could bring to our community.

"I ask my colleagues to join me in voting no on this measure.

"Thank you."

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

"This has been a frustrating and confusing process for us all. Perhaps the most frustrating part of it has been that we are still so far away really from that moment when the first shovel breaks the ground.

"I felt this frustration and confusion from the public at community meetings this week. Questions such as: Where will the ultimate site be? Is the \$350-million sufficient? Will the taxpayers of the State pay for the overruns? Why not Fort DeRussy? Can't we keep the politics out of this decision?

"Those were the kinds of questions that have been asked of me, and in all this confusion and disenchantment, the basic question ... do we really need a convention center at all is beginning to be asked again. In this negative atmosphere, the very significance of the convention center has been lost.

"The convention center is the cornerstone of the economic dreams for the next generation. If we want to ensure a strong, challenging future for our keikis, we must make major investments in building the proper foundation for the kind of role that we of Hawaii can and

should play in the next century, called by the historians -- the Pacific Century.

"The convention center is a symbolic and literal beginning of our effort to establish a new and different image for ourselves. There is the potential, as we've talked on numerous occasions over the years, of Hawaii to be a telecommunications hub, a trading center, a sports center, a center of international higher education, a center of international understanding, a center for health, but none of these dreams will become reality unless we have the fortitude to see this difficult and frustrating process through, unless we are willing to make the investment of time, energy, patience and money to create a project which will clearly indicate our willingness to be that gathering place of the nations and peoples of the Pacific, that center of trade, education, sports and telecommunications.

"Mr. Speaker, I, too, as the Minority Leader and others have done, want to acknowledge you for your leadership and, in particular, your coolheadedness and your fortitude for holding on to that vision of which the convention center is such an essential part.

"Thank you."

Representative Tam then rose to speak against the bill, stating:

"Before I proceed with my reasons of opposition, I wish to state for the record that I am in favor of a convention center in our State to generate economic and financial growth for Hawaii, but not in the manner the Legislature and Governor John Waihee are pursuing at this time.

"The reasons for opposition are as follows:

- (1) A convention center can be developed and financed by a private developer, as proposed, at the former Aloha Motors site at no expense to Hawaii's taxpayers and at no increase in the transient accommodations tax. House Bill S7-93 proposes to increase the transient accommodations tax from five percent to six percent. Mr. Towill, President of the Hawaii Hotel Association stated the concern -- the concern -- of hotels losing customers due to the tax increase at a public hearing. Furthermore, a Wall Street Journal article of July 2, 1993, states that convention organizers increasingly consider hotel taxes before selecting a site, as do corporate travel managers when they're thinking of sending a large group of employees. Keep in mind that we want to build a first-class convention center that meets those companies who have sought to send a large number of employees.
- (2) Spending public funds is unnecessary. Today's trend nationwide in decreasing unnecessary government spending is through privatization, where facilities and services can be funded by private enterprise. And this is what they're doing on the mainland ... why can't we do it here? After all, our country and economy are based on allowing free enterprise, not a form of communism, where government owns revenue-making businesses. Government must not compete with the private sector. Otherwise, they'll put them out of business.
- (3) Government is a service-oriented, non-profit organization. The private sector is profit-oriented. Experience has shown that when government takes on the role as a profit-

oriented business, we fail. Example: Kohala Task Force project under our former Governor. Once again, Hawaii's state government is a non-profit public service-oriented organization.

- (4) The State Administration has no architectural plans for a State convention center. Why should I vote 'yes' on a State government-owned convention center using government bonds when there's no architectural plans? As a legislator, I have the responsibility in spending government funds, and the public expects that from me.
 - (5) I am opposed to giving the Convention Center Authority blanket discretion to develop a convention center. Remember what happened, and I was here and I am sad to say that I voted for it, learning a very valuable lesson, remember what happened when several years ago, the Legislature gave the HCDA blanket discretion to develop the Kakaako district. Now, we are experiencing bigger costs and community problems. Everyone of us received and are receiving phone calls to this day.
- "Page 4, section c, gives the State Administration, in the bill, the power to override federal and county plans and ordinances in preference to the State Administration's plans and policies. Example again: Kakaako project. You have sewer problems ... why? Because of inadequate sewer facilities. Why? Because the State of Hawaii government decided to not obey the guidelines set by the City and County of Honolulu, and we're spending big money to correct those measures.
- (6) We need to preserve the open space at the Ala Wai Golf Course for our citizens, especially for our youth and elderly. The land, as a reminder, is on the State Historic Register.
 - (7) The City Council and the Administration of the City and County of Honolulu have already approved its land use under its designated power to the Aloha Motors site for the convention center to a private developer. I would not be surprised if the City Administration and the City Council file a lawsuit against the State Administration and us, the Legislature. A suit would delay the building of the convention center for years to come and would cost taxpayers big tax dollars in court, and I would echo that when it comes to appropriation for a lawsuit.
 - (8) Mr. Kelly of the Outrigger Hotels presented testimony objecting to the Ala Wai Golf Course site for a convention center as an automatic fall-back after 60 days of not reaching an agreement with the Aloha Motors site. Mr. Kelly recommends using the 1994 legislative session in making the selection of either the Gateway or the golf course.
 - (9) I oppose this bill where the Convention Center Authority will have the power to hire employees without regard to the Hawaii Revised Statutes, Chapters 76 and 77, respectively, the laws of civil service and salaries. It is unfair to our thousands of civil service employees with similar job descriptions and responsibilities. Passage of this provision will allow more political and unqualified hiring practices. We

get criticized every single day because we keep on letting the Governor appoint people. I've got to say this ... in my opinion personally, although I had differences with Governor Ariyoshi, I respect him. He didn't do what today's Administration is doing -- hiring people left and right with disregard to other peoples' concerns.

- (10) In yesterday's joint hearing of the Finance and Tourism Committees, the Convention Center Authority could not respond to the relationship between projected revenues and operational expenses. In fact, when I asked the question, in terms of projected operational expenses, the Authority did not know the projected operational expenses of a State-owned convention center. This is not a prudent way of doing business in terms of making a profit in building up Hawaii's economy. Once again, government would lose its pants, and in turn, unwisely spent public funds.

"How would we respond to this? I don't think we can ever respond truthfully to the residents statewide to say that we did our best. But we know that we don't have any projections, in terms of costs for the future. Let me give you an example to simplify it. For example, some people like Mercedes because it's a very comfortable. . .

At this point, the Chair interrupted and advised Representative Tam that his ten minutes had run out, whereupon Representative Amaral yielded her ten minutes.

Representative Tam thanked the Chair and continued his remarks, stating:

"As an example, some people like Mercedes and I think it's a very colorful car, and they had the money to buy it, whether it be on the basis of a loan or in cash, but very few people think in terms of how much it will cost to maintain a Mercedes. Did you know it costs about two hundred dollars for a tune-up? If a person bought a Mercedes and was only making \$24,000 a year and had the cash to buy that Mercedes outright, and after he bought the Mercedes, maybe a year later, he realized that he couldn't really afford it. Why? Because of the repair cost. So what happens? He sells his dream.

"Mr. Speaker and fellow colleagues, I'm not going to ask you to vote with me because I'm going to vote for my constituents, in terms of what they want me to do. I'm confident in voting 'no' after speaking with many constituents in my district, and I thank the Governor for giving me the opportunity to go out there in the community. Maybe the special session was good for me because it really helped me decide the right course in making a decision. You know, it's very ironic that here we say we don't have enough money or we don't want to spend bonds for educational facilities that we really need, and yet we want to spend for a convention center that's willing to be paid for by the private sector.

"Thank you."

Representative Lee then rose and requested that his remarks, in favor of the bill, be inserted into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Lee's remarks are as follows:

"Mr. Speaker, I rise to speak in support of House Bill S7-93 and to congratulate the Speaker on achieving agreement on a convention center.

"The need of a convention center has been demonstrated. We owe it to the tourist industry which has furnished the business, the jobs and taxes for the State. What was at issue were the specific site and the criteria of the convention center.

"The three proposals carrying over from the regular session were developer-driven. The Jack Myers proposal at Hobron Lane would have required State condemnation of land and displacement of residents. The Mitsui/Sukamoto proposal would entail three thousand additional rooms to an hotel inventory already at overcapacity. The Queen's Foundation would require the taking of public parkland at the Ala Wai Golf Course.

"All three would have required State funding of three hundred million dollars or more, for the benefit of the general economy, the tourist industry and the developer.

"House Bill S7-93 before us is not developer-driven, but represents our adherence to the public weal.

"It provides for construction and operation of a stand-alone convention center as a public facility to ensure the continued viability of the tourist industry. It is a victory for the public, and it is a tribute to the leadership of the Speaker.

"I must, however, record some misgivings. The increase of one percent in the room tax is troublesome, particularly in these economic times. It will remain a disincentive even in better times.

"Secondly, the fallback to the Ala Wai Golf Course is unacceptable to many people, including myself. Such an eventuality would ensure that we would not have a convention center for a long time, if at all. So said the **Star-Bulletin** on September 2.

"One final consideration. The nature of the convention business has evolved rapidly, just as much as the traditional medieval fairs are no longer the major and only means to conduct trade.

"There is overcapacity in convention centers throughout the United States.

"The latest federal budget has diminished the attractiveness of conventions. No longer is spousal deductions allowed. The deduction for meals has been slashed to fifty per cent.

"Finally, companies are downsizing and cutting expenses. Teleconferencing is in vogue.

"The mega-conventions may well be the local automobile show and the national political convention. Hence, the specific criteria in the bill may hamstrung adaptation or changes to new economic times.

"Be as it may be, the bill represents a culmination of years of dialogue and reconciles the conflicting interests of business and the community. We had first taken care of education (the school facilities special fund) and housing (the revolving fund). The convention center has now become of priority, and the bill represents that common good."

Representative Hirono then rose and stated:

"I rise to speak against House Bill S7-93 and in doing so, I would like to request that the Journal incorporate my remarks against House Bill S5-93 made on August 25, 1993, into the Journal because my objections to this

particular bill before us are the same as that for House Bill S5-93.

"In addition, Mr. Speaker, I would like to note that the previous speaker had said that the opposition to this measure is token. Actually, the opposition to this measure has been quiescent. Everyone knew that this convention center train was leaving the station but when this train cannonball toward the Ala Wai Golf Course, that's when the opposition will come out of the woodworks. There is no doubt in my mind that the train will be stopped at the Ala Wai Golf Course.

"Thank you, Mr. Speaker."

Representative Hirono's remarks made on August 25, 1993, against House Bill No. S5-93 are hereby inserted:

"A previous speaker likened this bill to a baby Godzilla. I liken this bill to the Alien. After a sixty-day incubation period, it bursts forth and grabs the Ala Wai by the throat and sucks the life out of it. It is for that reason that I cannot support this bill.

"The Ala Wai Golf Course is the most heavily-used golf course in the nation and it provides healthy recreational activities to local golfers who otherwise would have to drive long distances and pay higher fees. It is a welcome spot of green in a sea of concrete, and it is a needed buffer between the development and pressures of Waikiki and the surrounding neighborhood.

"I support a convention center; I do not support holding the gun to the Ala Wai Golf Course and holding it hostage to move our efforts toward accomplishing a convention center bill.

"Thank you."

Representative M. Ige then rose and requested that his remarks, against the bill, be inserted into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative M. Ige's remarks are as follows:

"Mr. Speaker, I rise to speak against this measure again.

"Briefly, we must diversify our economy, not diversify tourism. We must not continue to place more eggs in the tourism basket. Where will it end? When will it be enough?

"For the sake of our preferred future, let us diversify.

"Some may ask where?

(1) How about a world-class education.

"Imagine, it may not generate the millions in revenues, but what about the millions in savings, in welfare, in social costs? By providing world-class education, you provide hope among the young.

"Mr. Speaker, with hope for a preferred future, with the love for our islands, they will come."

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

"Mr. Speaker, there's been a lot of analogies and colorful language on this floor with regard to this measure. But for me, and I think for many of us, the reason that we support this measure is an economic one. We've noted, as our visitor industry has, representatives

have talked to us and have come forward to discuss this issue, that we've had lots of conventions come to Hawaii in the past, but we're losing those conventions and that very lucrative business which brings, not only transient accommodation tax revenues, but lots of general excise tax revenues into our coffers, thereby allowing us to fund hospitals, schools, and other social service programs that are not revenue-generators themselves. But we are losing that kind of business, and why? Because we don't have a facility that meets the industry standards. We can't be competitive.

"We're not talking about bringing mega-conventions to our State. We're talking about a facility that will allow us to have a number of smaller conventions running at the same time. We're talking about a traveler who comes, not only for the convention, but then perhaps takes a trip to Maui, or to Kauai, or the Big Island, and also provides revenue for those areas as well.

"I really thought, Mr. Speaker, that having discussed this measure, not this particular measure but the idea of a convention center for the last number of years, that it was no longer an issue whether we needed a center, but which site. I still believe that is the case because I think once all the rhetoric dies down, either from City Hall or from elsewhere, that when it comes down to it, the fact of the need for a convention center and the facilities that it will provide for our visitor industry, and ultimately for the economy of our State, is without question.

"I believe, Mr. Speaker, that we are taking a momentous step; we are making a decision; we are coming together to provide for this State the legislation that will enable us to have, not only a world-class convention center, but one that will benefit many for years to come. It's expandable, it's stand-alone and it's not going to be the mega-monster that the City Council passed when they authorized the land use site for Aloha Motors.

"I am very proud of my House colleagues, and I am very proud of you, Mr. Speaker, for the leadership that you have exercised in moving this measure forward. I am very proud to stand in support of this measure.

"Thank you, Mr. Speaker."

Representative Cachola then rose and requested that his remarks, in favor of the bill, be inserted into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Cachola's remarks are as follows:

"I rise to speak in favor of House Bill S7-93.

"This bill is practically the same as S5-93, passed by the House on Third Reading on Wednesday, August 25th.

"At that time, we fully debated the issues relating to the convention center, such as the suitability of the Ala Wai Golf Course, the Kapolei exchange, et cetera.

"These issues are numerous and complex, and many will naturally have reservations about this proposal. No matter how we adjust the measure, we cannot satisfy everyone.

"If economic recovery is a priority to this body, we MUST pass this bill, despite our reservations.

"This bill will give the Convention Center Authority time to negotiate with Sukanto. The sixty days will serve as more than adequate time to conduct serious

negotiations for development and/or transfer of the Aloha Motors site and wisely provides for an alternative site.

"At this time, the House position should remain: A REAL convention center at the Aloha Motors site, free from additional developments.

"I urge my colleagues to vote in favor of this bill."

The motion was put by the Chair and carried, and H.B. No. S7-93, entitled: "A BILL FOR AN ACT RELATING TO A CONVENTION CENTER," having been read throughout, passed Third Reading by a vote of 36 ayes to 8 noes, with Representatives Amaral, Bainum, Hiraki, Hirono, M. Ige, Shon, Takumi and Tam voting no, and Representatives Apo, Hagino, Isbell, Marumoto, Peters, Takamine and Thielen being excused.

The Chair directed the Clerk to note that H.B. No. S7-93 had passed Third Reading at 4:25 o'clock p.m.

H.B. No. S9-93:

On motion by Representative Say, seconded by Representative Kawakami and carried, H.B. No. S9-93, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," passed Third Reading by a vote of 44 ayes, with Representatives Apo, Hagino, Isbell, Marumoto, Peters, Takamine and Thielen being excused.

H.B. No. S10-93:

On motion by Representative Say, seconded by Representative Kawakami and carried, H.B. No. S10-93, entitled: "A BILL FOR AN ACT RELATING TO STATE OFFICERS AND EMPLOYEES EXCLUDED FROM COLLECTIVE BARGAINING AND MAKING APPROPRIATIONS AND OTHER ADJUSTMENTS," passed Third Reading by a vote of 44 ayes, with Representatives Apo, Hagino, Isbell, Marumoto, Peters, Takamine and Thielen being excused.

The Chair directed the Clerk to note that H.B. Nos. S9-93 and S10-93 had passed Third Reading at 4:26 o'clock p.m.

H.B. No. S8-93:

On motion by Representative Say, seconded by Representative Kawakami and carried, H.B. No. S8-93, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Third Reading by a vote of 44 ayes, with Representatives Apo, Hagino, Isbell, Marumoto, Peters, Takamine and Thielen being excused.

The Chair directed the Clerk to note that H.B. No. S8-93 had passed Third Reading at 4:27 o'clock p.m.

ANNOUNCEMENTS

Representative Say: "Your Committee on Finance will be having a public hearing on Tuesday at 9:30 a.m. in Room 907, and this particular matter deals with the Senate bill in reference to procurement."

At 4:27 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 4:30 o'clock p.m.

Representative Ihara then moved "to keep the Journal open until 12:00 o'clock midnight this legislative day for the purpose of receiving measures passed on Third

Reading by the Senate, and that both measures pass First Reading by title and be referred to their appropriate committees."

The motion was seconded by Representative Ward and carried.

At 4:31 o'clock p.m., the House of Representatives stood in recess for the purpose of receiving measures passed on Third Reading by the Senate.

SENATE COMMUNICATION

The following communication (Sen. Com. No. 6) was received and placed on file:

Sen. Com. No. 6, transmitting Senate Bill No. S3-93, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," which passed Third Reading in the Senate on September 3, 1993.

In accordance with the motion made earlier, S.B. No. S3-93 passed First Reading by title and was referred to the Committee on Finance.

ADJOURNMENT

At 12:00 o'clock midnight, the House of Representatives adjourned until 11:00 o'clock a.m. on Tuesday, September 7, 1993.

ELEVENTH DAY

Tuesday, September 7, 1993

The House of Representatives of the Seventeenth Legislature of the State of Hawaii, First Special Session of 1993, convened at 11:15 o'clock a.m., with the Speaker presiding.

The Divine Blessing was invoked by Representative Virginia Isbell, after which the Roll was called showing all members present with the exception of Representatives Apo, Hagino, Hiraki, Marumoto and Peters, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Tenth Day.

On motion by Representative Ihara, seconded by Representative Thielen and carried, reading of the Journal was dispensed with and the Journal of the Tenth Day was approved.

At 11:19 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 11:37 o'clock a.m.

ORDER OF THE DAY**STANDING COMMITTEE REPORT**

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. S11-93) recommending that S.B. No. S3-93 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Say, seconded by Representative Kawakami and carried, the report of the Committee was adopted and S.B. No. S3-93, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Second Reading and was placed on the calendar for Third Reading.

ANNOUNCEMENT

Representative Bainum: "As many of you might know, DBEDT is having a conference on recycling today at 2:30 in the Majority Policy Room. I would like to invite all of my colleagues who are interested in recycling, not only in recycling, but the financing through bonds or other measures of supporting environmental waste management, to please come to the Majority Policy Room at 2:30."

ADJOURNMENT

At 11:38 o'clock a.m., on motion by Representative Ihara, seconded by Representative Thielen and carried, the House of Representatives adjourned until 11:00 o'clock a.m. on Thursday, September 9, 1993.

TWELFTH DAY

Wednesday, September 8, 1993

NO SESSION

THIRTEENTH DAY

Thursday, September 9, 1993

The House of Representatives of the Seventeenth Legislature of the State of Hawaii, First Special Session of 1993, convened at 11:10 o'clock a.m., with the Vice Speaker presiding.

The Divine Blessing was invoked by Representative Ezra R. Kanoho, after which the Roll was called showing all members present with the exception of Representatives Amaral, Bainum, Hagino, Hirono, Marumoto, Nakasone, Nekoba, Okamura and Takamine, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Eleventh Day.

On motion by Representative Ihara, seconded by Representative Thielen and carried, reading of the Journal was dispensed with and the Journal of the Eleventh Day was approved.

ORDER OF THE DAY

SUSPENSION OF RULES

On motion by Representative Ihara, seconded by Representative Thielen and carried, the rules were suspended for the purpose of considering a bill on Third Reading on the basis of a modified consent calendar.

THIRD READING

S.B. No. S3-93:

Representative Say moved that S.B. No. S3-93, having been read throughout, pass Third Reading, seconded by Representative Kawakami.

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

"Before this important measure passes Third Reading, I believe we would be remiss if the House did not acknowledge the hard work, the patience and commitment to drafting a workable procurement code that was exhibited by our Finance Committee Chair, Representative Calvin Say; the Finance Vice Chair, Representative Bertha Kawakami; members of the Finance Committee; and our staff, especially Linda Oamilda.

"The bill before us is the product of many, many hours of hearings and public input and debate, much give and take between the House and Senate managers of this measure, and eighty-plus drafts or revisions. The reform of our hodge-podge and sometimes antiquated procurement laws was a top priority of this House. We can be very proud of the legislation that is before us.

"This bill, identical to House Bill S8-93 which passed unanimously, is based on the model procurement code. It provides a workable, accountable framework for purchasing goods and services that will serve our State well into the 21st century. Reforming such a complex system as procurement was a monumental task, and I applaud Chairman Say, Senators Ann Kobayashi and Chang, the Comptroller of the State, and others in the Administration, as well as our staff and colleagues, for their dedication to reform and their perseverance to craft a measure which provides a fair, workable procurement system that I believe will help restore public faith and trust in government.

"Thank you, Madam Speaker."

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

"Madam Speaker, I think today we should give credit where credit is due ... not to the House of Representatives, not to the Senate, not to the Administration on the top floor, not to the departments, but to the public at large who stood strong and firm and demanded reforms. I also think that we should give credit to the media for continuing to bring public the multitude of abuses that have occurred through the years, and the very definite need for reform in our bidding system. I think a great deal of credit is due to those two informal branches of government, but I say the most important parts of our government -- the public and the media who gives the information out so everyone can see what the abuses are, what the needs for reform are, and then take action here in this body to correct those.

"Thank you."

Representative Say then rose and stated:

"I have some written testimony in support of the measure but before I submit it to Madam Clerk, I would just like to say 'thank you' to the leadership in having the patience and the indulgence of going through eighty pieces of drafts, and also to the Vice Chair and the members of the Finance Committee for their patience and cooperation, also to the Minority members of the Finance Committee whose provisions are included in this particular measure. Last but not least, our Senate counterpart -- Chairperson Kobayashi and Chairperson Chang -- thank you."

"The Chair, noting that there were no objections, "so ordered."

Representative Say's remarks are as follows:

"The purpose of this bill is to establish a new procurement code for our state and county governments. In light of the recent displays of what state purchasing officials must go through to meet the requirements of our current laws, the need and urgency for procurement reform is obvious. Our current procurement laws are based on legislation enacted in 1909, and have since been amended over two hundred times. According to the State Auditor, the current procurement code is old, fragmented, and vague. For instance, there is only one method of source selection. There are inconsistencies in purchasing practices among different agencies, and there are no statewide rules to regulate and guide purchasing policy. The State's current purchasing laws are open to conflicting interpretation and lead to inefficiency and potential waste. This bill is the beginning of what I foresee as a major overhaul in government purchasing for agencies and private competitors alike.

"Mr. Speaker, the new procurement code proposed in this bill provides the legal foundation for a sound purchasing program. It adopts many of the suggested policies of the American Bar Association's model procurement code -- a model that has already been successfully implemented by fourteen other states. For example, this new procurement code provides various methods of source selection for purchasing officials to better acquire the diverse types of goods and services needed by today's government. It provides legal and contractual remedies that provide private vendors or contractors with a fair and just system to settle their disputes. It provides for a compliance audit unit to

ensure that the new code is being adhered to by purchasing officials. But most importantly, it provides a centralized purchasing system, governed by uniform rules and regulations promulgated by a Procurement Policy Office, that ensures that various chief procurement officers will be held accountable for all government purchases. We have also created an administrator of the Procurement Office who will be responsible for central purchasing for most of the Executive Branch agencies, as well as educating and overseeing all other purchasing officials.

"At this time, I must thank the members of the Finance Committee for dedicating a tremendous amount of time and effort -- essentially spending many hours to go over all the proposals page by page -- to educate themselves about the reality of government purchasing. I believe that all the Finance Committee members now realize exactly how difficult it is to both enact purchasing laws that are realistically practicable, yet at the same time are able to serve the public's best interests. This bill before us today is a result of their tremendous support throughout all of the difficult deliberations. I must also thank all of my colleagues here today, especially you Mr. Speaker, for persevering with the committee and me through such trying times.

"I sincerely believe that our efforts will not go unrewarded for this bill will provide us with the nexus for a comprehensive, improved purchasing system that will serve the public well.

"I urge all of my colleagues to support House Bill No. S8-93.

"Thank you."

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

"First of all, I would like to preface my remarks with a deep feeling of gratitude in thanking Finance Chairman, Calvin Say, for his fair and tireless efforts in fashioning this procurement measure, the committee members, the Finance staff, Linda Oamilda of HMSO, Attorney General Marks and his deputy, Charlene Aina, the Comptroller, and you, Mr. Speaker, and the legislative leadership team for all laboring and persevering in coming forth with a bill we can all be proud of.

"With this bill, we will have in place the rules, the regulations, and oversight office necessary to curb and eliminate abuses, but also to bring about efficiency and fairness in the purchasing of goods and services as we move towards the centralization of our entire procurement system. This in turn will foster better accountability and consistency.

"This bill brings about much needed change and a rational approach to our current antiquated system, and thus, we can all be proud that this procurement reform is a product of compromise and not a casualty of politics during this Special Session and a very sincere effort to keep the public's trust in state government.

"I strongly urge your support of this measure, and I commend again Representative Say and the committee members, and all who were involved in the negotiations of this bill.

"Thank you very much."

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

"I would just like to go on record as offering four suggestions as this bill becomes implemented:

- (1) Thou shall not steal;
- (2) Thou shall not parcel;
- (3) Thou shall spread the dollars around; and
- (4) Thou shall not secure specifications.

"If the Executive Branch can hold to those four commandments, I think we will be okay.

"Mahalo."

Representative Alcon then rose and requested that his remarks, in favor of the bill, be inserted into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Alcon's remarks are as follows:

"This procurement bill is a model. It is as good as the people who implement it.

"As with the present law, which lasted since 1909, the implementors will spend more time to find loopholes or to circumvent it. Yes, the present law has the quality of a constitutional perfection. What was needed were amendments to the implementation rules and regulations.

"I pray that the bill that we are about to adopt has the same or better quality as the law we are about to replace.

"Good luck!"

The motion was put by the Chair and carried, and S.B. No. S3-93, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," having been read throughout, passed Third Reading by a vote of 42 ayes, with Representatives Amaral, Bainum, Hagino, Hirono, Marumoto, Nakasone, Nekoba, Okamura and Takamine being excused.

The Chair directed the Clerk to note that S.B. No. S3-93 had passed Third Reading at 11:22 o'clock a.m.

ANNOUNCEMENT

Representative Ihara moved "to keep the Journal open until 6:00 o'clock p.m. this legislative day for the purpose of receiving measures passed on Third Reading by the Senate."

The motion was seconded by Representative Thielen and carried.

At 11:23 o'clock a.m., the House of Representatives stood in recess for the purpose of receiving measures passed on Third Reading by the Senate.

SENATE COMMUNICATIONS

In accordance with the motion made earlier, the following communications (Sen. Com. Nos. 7 to 9) were received and placed on file:

Sen. Com. No. 7, returning House Bill No. S9-93, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," which passed Third Reading in the Senate on September 9, 1993.

Sen. Com. No. 8, returning House Bill No. S10-93, entitled: "A BILL FOR AN ACT RELATING TO STATE

OFFICERS AND EMPLOYEES EXCLUDED FROM COLLECTIVE BARGAINING AND MAKING APPROPRIATIONS AND OTHER ADJUSTMENTS," which passed Third Reading in the Senate on September 9, 1993.

Sen. Com. No. 9, returning House Bill No. S7-93 (SD 1), entitled: "A BILL FOR AN ACT RELATING TO A CONVENTION CENTER," which passed Third Reading in the Senate on September 9, 1993, in an amended form.

Further action on House Bill No. S7-93, as amended by the Senate, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of House Bill No. S7-93, SD 1, were made available to the members of the House.

ADJOURNMENT

At 12:00 o'clock midnight, the House of Representatives adjourned until 11:00 o'clock a.m. on Monday, September 13, 1993.

FOURTEENTH DAY

Friday, September 10, 1993

NO SESSION

FIFTEENTH DAY

Monday, September 13, 1993

The House of Representatives of the Seventeenth Legislature of the State of Hawaii, First Special Session of 1993, convened at 11:17 o'clock a.m., with the Speaker presiding.

The Divine Blessing was invoked by Reverend Julia McKenna-Dubin of the Ministry for Divine Harmony, after which the Roll was called showing all members present with the exception of Representatives Apo, Peters and Shon, who were excused.

The Clerk proceeded to read the Journal of the House of Representatives of the Thirteenth Day.

On motion by Representative Ihara, seconded by Representative Thielen and carried, reading of the Journal was dispensed with and the Journal of the Thirteenth Day was approved.

GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 4 to 7) were read by the Clerk and were placed on file:

Gov. Msg. No. 4, transmitting copies of the Department of Taxation's submittal of the annual financial reports of contract carriers by water (cruise ships) pursuant to section 239-11, Hawaii Revised Statutes.

Gov. Msg. No. 5, transmitting copies of the following report: **Annual Report of SHIP (State Health Insurance Program), 1992 Partnerships, State of Hawai'i, Department of Health, January 1993.**

Gov. Msg. No. 6, transmitting copies of the 1992 Annual Report prepared by the Department of Human Services, pursuant to Section 346-5, Hawaii Revised Statutes.

Gov. Msg. No. 7, informing the House that on September 13, 1993, he signed the following bill into law:

House Bill No. S6-93 as Act 4, entitled: "RELATING TO NO-FAULT INSURANCE".

SENATE COMMUNICATION

Sen. Com. No. 10, transmitting Senate Resolution No. S5-93, entitled: "SENATE RESOLUTION INFORMING THE HOUSE THAT THE SENATE IS READY TO ADJOURN SINE DIE," which was adopted by the Senate on September 13, 1993, was read by the Clerk and was placed on file.

At 11:28 o'clock a.m., Representative Baker asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 11:29 o'clock a.m.

ORDER OF THE DAY

SUSPENSION OF RULES

On motion by Representative Ihara, seconded by Representative Thielen and carried, the rules were

suspended for the purpose of considering a bill on Final Reading on the basis of a modified consent calendar.

FINAL READING

H.B. No. S7-93, SD 1 (Stand. Com. Rep. No. S10-93):

Representative Cachola moved that the House agree to the amendments proposed by the Senate to H.B. No. S7-93, and H.B. No. S7-93, SD 1, having been read throughout, pass Final Reading, seconded by Representative Say.

Representative Isbell rose to speak in favor of the bill "with a few reservations," stating:

"First of all, I would like to make an acknowledgment that it is my understanding that the transient accommodation tax will cover the cost of the GO bonds and it will not become a part of a tax on the people because that's one of the concerns that I've had many times.

"With that acknowledgment, my second concern is the transfer of Kapolei Golf Course to the City and County of Honolulu should the Ala Wai become the convention center site. The transfer and use of and operation and control of the Kapolei Golf Course has a contingency that first, they must accept it. But the fact is that over \$38-million has been used from the Homes Revolving Fund to build the golf course.

"The original intent of HFDC in building the golf course was to make money off of it. I have an original document which I came from a hearing that we had on the golf course in 1991, and it states by HFDC that they intended to have the Horita Corporation, at that time, pay the State \$25-million plus the State's cost for the development of the golf course, and that would have been the \$38-million plus. So obviously, the State was planning to make money off of it. Later on, the idea was to have included \$240,000 per year in rental fees, so there is a lot of money planned from that golf course.

"I also wrote a letter to the Attorney General in 1991 asking for his opinion because I was very concerned at that time that the Homes Revolving Fund was used to build the Kapolei Golf Course. It states very clearly in the definition of the use of money from the Homes Revolving Fund that it can be used when it is designed primarily for the benefit and use of the corporation or the occupants of the dwelling accommodations from whence it is originated, which would mean the villages of Kapolei.

"So I want to make very clear and get it into the Journal that if this is a fact and the Kapolei Golf Course is transferred to the City and County of Honolulu, that in the next legislative session we somehow resolve this issue and have that as part of the TAT tax as well, that that gets reimbursed to the Homes Revolving Fund, or that we just outright find moneys to repay the \$38-million that was used for that.

"The HFDC's annual report also states that the course were provided drainage retention basins, and that's one of the things that concerns me. I can't imagine the City and County of Honolulu wanting to accept the golf course which is basically a run-off retention basin and it will certainly have a lot of problems with it.

"With those concerns and as long as everybody knows that the Kapolei Golf Course was built with housing

money, which has always been a concern of the Housing Committee, I will support this bill and ask that the other members vote for it, and also ask that we take it up in the next legislative session.

"Mahalo."

Representative Bainum then rose and stated:

"I rise to speak in opposition to this measure. I would ask that my remarks the two previous times be entered into the Journal."

Representative Bainum's speech given on August 25, 1993 (Third Day) is hereby inserted:

"I will admit, however, that almost any convention center site or bill would be better than the one that the City unleashed on Waikiki residents several weeks ago.

"You might recall, Mr. Speaker, that in addressing a proposal for a convention center here during the regular session, I compared one of the sites to a Godzilla. Well, the City and the City Council's proposal is a pack of Godzillas which would tie up traffic, blight the skyline and environment of Waikiki and its residents for decades to come.

"Clearly, the City and City Council's proposal puts quantity over quality. It put expediency over excellence, and it certainly put profits before people.

"Now, this measure is more like a 'Baby Godzilla.' For the first sixty days of its existence, it's small, it's relatively problem-free (if it remains stand-alone), and while the residents that I represent will not embrace or take it to their bosoms, I don't think they'll be in great despair.

"But, if it goes to the golf course site, then there's problems for the residents, and it's basically three main problems.

"The first one is that they see it as the beginning of Waikiki, with its unique challenges and development, in the quiet residential community of McCully/Moiliili.

"Secondly, the bill does not guarantee that vehicular access would be just from the Ala Wai Boulevard site.

"Third, there's various disruptions to the schools. They are concerned about the noise and strangers in their community. The golfers, of course, fear the loss of the golf course, and everyone fears the loss of green and open space.

"For these reasons, I must vote no on this measure."

Representative Bainum's speech given on September 3, 1993 (Tenth Day) is hereby inserted:

"Today, I will not speak in movie metaphors. Rather, I'll offer a note of congratulations and some notes of caution.

"First, to the House leadership and particularly to you, Mr. Speaker, thank you for sticking to your guns, for standing up for a stand-alone center. And this speaks of the House sensitivity to those residents who live in the areas, to those who would drive by this project, for the visitors who will visit the center as well as the visitor industry itself.

"Contrast this with the City's proposal.

"Everytime I see that slick commercial touting the benefits of the four towers of the Aloha Motors convention center, I wonder, benefit -- for whom?

"Everytime I see that commercial, I see four titanic towering messages for the residents who live in and around Waikiki, and for those who would have to drive by that traffic disaster.

"The towers remind me of what Oliver Wendell Holmes said: 'Consciously or unconsciously, we all strive to make the kind of a world we like.'

"Well, the residents of Waikiki grow weary of towers of concrete. We grow tired of our community being developed to the point of extinction.

"Again, thanks Mr. Speaker, for fighting for a stand-alone center.

"My opposition to this measure lies in what happens if sixty days pass and the center moves on to the golf course. I have spoken on this floor and in caucus of my concerns about the golf course site.

"First, the intrusion of resorts into the peaceful community of McCully/Moiliili.

"Second, the pressure for more development and additional traffic access, and the loss of precious green space and the golf course.

"If this bill does pass, and the convention center site ends up being the golf course, I want every member of this chamber to know that I will be coming around to see you in January and asking you to help me amend this measure so we can include some safeguards for the residents that I represent. Safeguards such as language assuring that vehicular access shall only be from the Ala Wai Boulevard, that development will be prohibited, other than the center itself, within a mile mauka of the convention center, and money, Mr. Speaker, for the actual cleanup of the canal.

"One TV reporter said last night on TV 'that only token opposition to this bill is expected.' Mr. Speaker, let me assure you my opposition to the golf course site is not token and is not short-lasting.

"My opposition springs from genuine concerns of the problems an Ala Wai Golf Course site could bring to our community.

"I ask my colleagues to join me in voting no on this measure.

"Thank you."

Representative Hagino then rose to speak against the bill, stating:

"I won't review or belabor the remarks that I have made previously on other bills regarding this. I'll limit my remarks in opposition to this bill to the attempt of this bill to restrict or limit the cost of the development of a convention center, whether it be at Aloha Motors or at Ala Wai Golf Course, for \$350-million. I believe the bill is quite clear on page 10 that we have restricted the cost to \$350-million.

"Let me just elaborate. I brought out the issue of the Kapolei Golf Course and Representative Isbell, the Chair of the Housing Committee, pointed out the cost. But the true cost of the Kapolei Golf Course is not \$38-million. I believe the trustees or the directors of the board of the Housing Finance and Development Corporation, in

obligation to their bondholders, will have to seek a market value price for that Kapolei Golf Course. It will not be restricted to \$38-million. They will have to get a fair market assessment of what the cost of the golf course is if it was put up for sale and, therefore, we have this very peculiar situation. And it has happened before ... that we will have to pay, in effect, ourselves, for that Kapolei Golf Course, and it will not be restricted to \$38-million. So whatever the final cost is for that golf course, it will be added to the \$350-million.

"As to the cleanup of the Ala Wai Canal, it's not restricted, as I read this bill, to the dredging of the Ala Wai Canal. You will have to clean up the Canal, you will have to put in prevention measures -- infrastructure costs that will exceed many millions of dollars. You're going to have to put in all the other on-site and site development costs such as the bridge over the Ala Wai, parking, and numerous other costs that when you total it up, will far exceed \$350-million. There is no way that we are going to keep within that limit.

"Also, I believe that the way the bill is written, that the cost to construct the convention center may likewise include the carrying cost of any bonds that will have to be issued such as interest costs. Others may differ with me but as I read the bill, I think that this cost will have to be included. There is no way that we are going to keep within the \$350-million.

"I want to point out, on the Kapolei Golf Course once again ... we had a similar situation in my district. The University of Hawaii owned the shares of the Honolulu Stadium Corporation and the land. This is the old Honolulu Stadium. There was a decision made to convert that stadium into a park. There was no way that the State could effectuate a transfer of the Honolulu Stadium from the University of Hawaii to the Department of Land and Natural Resources for a park. The State had to pay, and it paid somewhat in excess of eight million dollars to buy out the shares of the old Honolulu Stadium from the Board of Regents.

"This is what's going to have to happen in Kapolei. If those directors think that they can merely transfer the land, I believe there are going to be serious fiduciary breach of trust. And if you try to limit the cost of that land, the Kapolei Golf Course, at \$38-million without determining a fair market value for that golf course, they again will be in a breach of trust. So the final cost is going to far exceed \$350-million, and I believe we are deceiving the people if we think we will limit the cost of a convention center at the Ala Wai Golf Course at that amount.

"All my other remarks against the designation of the Ala Wai Golf Course, I think, are appropriate and I won't ingratiate myself by repeating it. If there's a mistake, it is a tremendous mistake. We should work with the City to develop any convention center. We should not try to do it ourselves. We have failed in the past with the stadium and numerous other projects, and I think we will fail again on this matter.

"Thank you very much, Mr. Speaker."

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

"Though I am enthusiastic about the prospect of finally voting on a measure to bring about a convention center for Hawaii, I do have an admonition request to the Convention Center Authority to express before casting an aye vote.

"This bill before us appropriates \$350-million to buy us a convention center, and I do hope this amount is sufficient to do the job. The experts have told us that construction will cost about \$240- to \$250-million.

"But the construction costs would leave us only a hundred, a hundred and ten million dollars for land acquisition. This amount is much less than Aloha Motors owners would like to have. They claim that their land is worth much more. But if we spend more than a hundred, a hundred and ten million dollars on land, we will shortchange ourselves in the construction area. I don't think we should do that. I think we should ask the Convention Center Authority to think of limiting land acquisition to a hundred million dollars, plus or minus.

"The Authority, I am certain, will be strongly pressured to meet the Aloha Motors price as the next 60 days progress. I am admonishing the Authority not to spend more than the amount available for its purchase.

"I am not a land appraiser, but some facts are apparent. Land prices have dipped in Hawaii. Also, financing for large-scale projects is very scarce, and we all know that new hotels are not in great demand. This year's values reflect assessments made two years ago, before the big 'Japanese bubble' burst. There is generally a lag of a few years in the assessment procedures for property taxes.

"This is similar to the case of my house. My own residence is assessed much higher than I could get for it on the market.

"In addition, the assessment of the Aloha Motors property is somewhat inflated to account for the increased height and density awarded to the developers by the City. According to one news report, the extra value amounts to about ten percent.

"So the land may not be worth as much as the tax assessor says it is. The January 1993 assessment of \$136-million may be too high.

"In closing, I would like to remind the Authority that a similar-sized parcel just across the canal is available for \$116-million fee simple. The Ala Wai Gateway parcel (Plan Option 1 which excludes the Harbor View Plaza), if purchased, would cost the State \$116-million. This figure would be good to keep in mind during negotiations during the next 60 days.

"I urge all representatives to support this bill which will provide a 675,000 square foot, expandable, 'world class', public convention center with a minimum of 200,000 square feet of exhibition space on one level through a proposal process. And though difficult to legislate, the facility is required to 'reflect a Hawaiian sense of place.' I think we have done a good job with this bill -- finally!

"Thank you."

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

"Like most of you, I take pride in participating in one of the State's finest and most promising economic development projects in the whole history of this State. Businesses and jobs will be both saved and created, and the economy will be given its second wind into the 21st century. To make sure that this happens, and I risk being redundant and I know the others didn't say what they said before, but I am going to say it again. I call on the Visitor Industry Coalition not to disband with the passing of this bill but to hang tough as a public watchdog to make sure that this project is on time and on

budget, and I again ask for Mr. Michael Carr and Mr. Takaki to keep their heads together from this day forward until that's finished.

"Mr. Speaker, this project must be kept on time and on budget if we are to accomplish the economic objectives of the convention center and not make the last seven years that we put into it in vain. We must move swiftly and surely and, if necessary, be prepared to micro-manage, and I said the 'M' word -- micro-manage -- this project to make sure that what's to be on time and on budget is done on time and on budget and if the convention center can't do it on themselves, the Convention Center Authority may need some emphasis and some help from us, Mr. Speaker. I say micro-management is not a bad word. In this instance, it's protecting \$350-million. Every dollar we go beyond \$350-million, we are saying today ... we don't know what we are doing. We really didn't know it was going to cost more. We can't plead that ignorance as we have with the Capitol, with the stadium, and with other issues. We've got to hang tough and say ... \$350-million and that's it.

"Secondly, Mr. Speaker, what's at stake is December 1997. That's when you said you were going to invite us to the topping-off party. Every day beyond New Year's 1998, we're showing the public today we don't know what we're doing. Every day that goes beyond that completion date, Mr. Speaker, our credibility is on the line.

"But most importantly, Mr. Speaker, why we need to keep this on time and on budget is because of the economy of the State of Hawaii. All of you know one of your first obligations as a legislator is to protect and build and make strong the economy of the State, and we've got to make sure that things are going to get better and not worse but, Mr. Speaker, I predict they will get worse before they do get better, and today I will predict this ... as more and more people lose their jobs and more and more businesses go belly up, those who have blocked the development of the convention center, by whatever legal or other means and whichever site that it may be on, will finally see the writing on the wall that this is, in fact, an economic development project and if you want jobs for Hawaii's people and if you want businesses to stay in business, you're going to have to back off and pull up with the rest of us the bootstraps to the economy of this State.

"I predict, Mr. Speaker, because of this, that we are going to see a convention center faster and quicker than what you and I even today imagine that it will be. The only condition, Mr. Speaker, is that we hang tough and unequivocally say ... on time, on budget -- nothing more, nothing less.

"Thank you."

Representative Tam then rose to speak against the bill, stating:

"Mr. Speaker and fellow colleagues, much has been said about the \$350-million for construction. Let me offer another point of view in opposition.

"Today is the 15th day of the special session, and there is still no estimate on the operational expenses being forced on Hawaii's taxpayers once the center is opened and operated by the State government. The State Administration and the Convention Center Authority deserve an 'F' grade for their incomplete homework.

"Thank you."

Representative Arakaki then rose to speak in favor of the bill, with reservations, stating:

"Mr. Speaker, I want to wish everyone shalom and peace on this historical day. I had not intended to speak on this bill because I've been in agreement with and support the position we have taken regarding the convention center we, as members of the House, envision for the State of Hawaii. And I admire your clear vision and ability to stay focused despite the swirling winds of criticism and mockery that have buffeted this Legislature. If we, as members of the House, are able to walk away from this special session with our heads up, it is because of your steadfast leadership.

"I feel compelled to speak, however, because there seems to be a perception in our communities that in our all-consuming drive to invest in a convention center, they have all but ignored the needs to invest in our most precious resource -- our people, especially our young people. And even as I speak, more and more families, our children, our elderly and disabled are being denied needed services because of increased demands, combined with declining resources, due to budget cuts and restrictions. People in need just don't understand when you tell them that moneys for projects such as the convention center, the State Capitol renovations, and Aloha Stadium repairs are financed through bonds while moneys for education, health and human services come through operating funds from the State's general fund. All they know is that we seem to revel in our conceit by thinking that our choosing the site for a convention center was such a monumental decision for the people of Hawaii.

"Some students in Kalihi told me that they just don't understand how millions of dollars can be spent on a state-of-art project that they will probably never set foot in or utilize. All they know is that we expect them to attend school in facilities that are run-down and use books and equipment that are old and obsolete. Somehow people just don't understand our grand theories of trickle down economics where we line the pockets of the rich in order to provide jobs and services for the poor. All they know is that in the end, they get trickled on. They just don't understand why we can't deal with the shortfall in child care funds during the special session in order to provide more resources so they can afford quality child care that will enable them to go to work instead of being forced to stay at home and collect welfare. They just don't understand that we have a gentlemen's agreement between the Governor, the Senate, and the House to limit the agenda. All they know is that we are willing to bend the rules and break agreements if it suits our purposes.

"So, Mr. Speaker and colleagues, here we are, poor and misunderstood legislators. So can anyone blame us for wanting the special session to end? It's like banging your head against the wall. It feels good when you stop.

"But I put forth this perspective, not to denigrate or to devalue what we have accomplished. It is just that no one should think that a convention center is any kind of panacea for an ailing tourist industry. We need only to look at what is happening in Florida to realize that the most elegant convention center, the most pristine beaches, or the most temperate of climates cannot overcome the fear of crime and violence, the loss of aloha, and the feelings of animosity that so many of our young people feel towards our visitors. We really need to open our eyes and see what is really happening with our young people in communities across the state. If the only dreams we can promise our children are more low-paying service-related jobs that the tourist industries can provide for their future, then indeed we haven't invested much in their future, and we shouldn't be surprised why so many have lost hope. It will be a sad day here in Hawaii when we have to start warning our visitors about how not to be victimized by our poor young natives. Perhaps I'm being

too cynical, Mr. Speaker, but I am gravely wounded by remarks that our Legislature has its priorities out of whack. And I know you're going to tell me, Mr. Speaker, that I have to stop listening to all those social workers and liberal democrats. I'm afraid this is the kind of cynicism that permeates many of our communities.

"Mr. Speaker, no matter how this issue plays out, no matter what kind of, or where, or even if we have a convention center, no one can say that we, as a body, failed to express a vision or demonstrated the political will to produce a 'world-class' convention center. The question is, Mr. Speaker and fellow members ... can our constituents expect any less from us in our future sessions when we speak of education, second to none, or we brag of Hawaii as a 'health state,' or when we talk about a compassionate society that responds to the neediest, where we invest in our children to enable them to produce a world-class society for Hawaii's future?

"In closing, let me paraphrase from a quote I have posted in my office: 'It will be a great day in Hawaii when our child care programs have all the money they need and we need to hold a bake sale to build a convention center.'

"Thank you, Mr. Speaker."

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

"Mr. Speaker, now that we're finally going to act on this, it's going to be like a giant sliver being removed from under your thumb. The pain will go away but the wound is going to take a long time to heal, and let me caution you that we can't just dust off our hands and say ... well, now we've taken care of tourism's problems because the impact of this convention center isn't going to be felt for some six to seven years. In the meantime, I call on the industry to examine some basic flaws in the structure of the industry. We have lost our way, we've lost our roots, we've lost our culture, we've lost the aloha spirit. Go back and re-examine whether these are what you're doing.

"One last thing. Now with great indignation, we can say to the Selection Committee of the HVB ... get on with it! Select the new president of the Hawaii Visitors Bureau. We need it done right now, and we need the best possible choice.

"Thank you, Mr. Speaker."

Representative Alcon then rose and stated:

"Mr. Speaker, I rise to support this bill with some reservations.

"Mr. Speaker, just to refresh your memory, way back in 1984 there was a study audit to study whether we needed a convention center, and the conclusion of the study says that we do need a convention center. In 1986, we passed the transient accommodations tax for the convention center, and in 1987, we boldly selected the site at the risk of the lives of one of our colleagues, and also one of the senators. In 1988, we created the Authority and, Mr. Speaker, we had given them all the tools -- everything that is needed for a convention center -- and nothing was being done.

"My challenge to the Authority, Mr. Speaker ... we have again picked two sites and if they fail on one, I hope they will succeed on the other one. And if they fail on the second one, I hope they will succeed on the third one, and that is Gateway.

"Mr. Speaker, I have a long speech but with your permission, may I have it inserted into the Journal?" (The Chair "so ordered.")

"Let me also say that I think the Authority should get on its ... you know what I mean, Mr. Speaker, and build the convention center, and I think the coalition and all the hotel industry should also contribute to the cost of this convention center.

"Thank you very much."

Further remarks by Representative Alcon are hereby inserted:

"Mr. Speaker, this session has been a fruitful session. We corrected the Transportation Operating Budget, the Bond Declaration Budget to include the \$90,000 for the Department of Education; and in addition, we ratified the firepeoples' collective bargaining. That was the original intent of this special session. And all of a sudden, we panicked about the convention center site, convention center financing, and procurement.

"As far as the convention center is concerned, we seriously considered it in 1984 by the passage of House Concurrent Resolution 130 and House Resolution 67, HD 2, asking DPED to conduct a study on the need of a convention center. Then in 1986, the Legislature passed the TAT; and in 1987, the Legislature took the bold step of picking the site -- at the risk of the life of the Tourism Committee Chairmen of the House and the Senate. The Convention Center Authority was created in 1988 with the passage of House Bill 3396 and enacted as Act 96. As far as the Legislature is concerned, it did its obligation -- pick the site, provided the means of financing, and the Authority to implement. But what was the outcome? Nothing, but spent money.

"This special session, some of us began to panic and about to pass a bill which is designed to fail. It looks like it is a circuitous way to get to Gateway. I hope I am wrong.

"For the next regular session, we should exert the same enthusiasm and energy to education, social services, and health needs. Our investment in education is pathetic, as evidenced by recent statistics. We have a saying, 'Education Second to None' -- it seems like none.

"Our mental health services have not improved. I think a good mental health program is the key in alleviating most of our social problems.

"Education and mental health demand our utmost attention and funding -- not a convention center."

Representative Yonamine then rose and stated:

"I was not going to say anything this morning until I saw the live report from the White House on the signing this morning. But, Mr. Speaker and fellow colleagues, I rise in support of House Bill S7-93, SD 1. I will not repeat all of the sound arguments which have been expressed before today nor for any which need to be said again on this floor.

"On this day, as you know, something remarkable happened -- something that is the essence of the soul of human beings and which moves them to act. It was the signing of a treaty between Israel and the Palestinian Liberation Movement.

"Two things will happen today -- one global, and one local. Each is important in its own perspective. This signing is an event of a great day for peace in the world

and brings eternal hope for peace and security in the future. The passage of this bill is a good day for Hawaii, for the future of our economy, the well-being of our people, and that both be secured now.

"Mr. Speaker, we all know the world is in turmoil. We are divided historically, very deeply. It is a world divided by ethnic and tribal bonds and religious ideologies. Soldiers die; men, women and children die and suffer; families are destroyed; society and economy are shattered.

"Today, two leaders of goodwill met and signed, buoyed by the support of our President and leaders of both the western and Arab world. It provided for security and safety for both states. To the PLO, it provided economic development and infusion of life. With the restoration of life and self-determination as the Palestinians desire for themselves. . .

At this point, the Chair interrupted and asked:

"Representative, are you speaking on the convention center?"

Representative Yonamine answered:

"Let me move right on. . .very quickly. As for the state of Israel, it is security from the outside threat, stabilization which will lead to growth and a future prosperity of its people. It is an imperfect document. It will not please everyone, but in the words of its leaders . . . it is a beginning.

"Prime Minister Rabin said, 'Enough of blood and tears -- enough.' This is a time for the citizens of this world to join with the two states for renewal and hope, to band together, to bond, to heal, and to build for the future. It is a message of our God, and that is the message of THE God of all mankind.

"In perspective, Mr. Speaker, I just wish that this convention bill was as dramatic and moving. While there won't be blood running down the Ala Wai, this decision -- this action -- is very important to Hawaii. We are dealing with the future, we need to make this commitment to the future of Hawaii. If one segment of our economy suffers, everyone suffers. If we breathe life into our economy, everyone lives to enjoy life for themselves and their children, and for future generations.

"Mr. Speaker, this is an important legislation which won't please everyone, but it is a beginning of a future. It is also a beginning to all of us to look at other pressing financial problems facing us as policymakers and as budget managers and formulators.

"Mr. Speaker, this House is in order. During this post regular session time, you provided us with key leadership, you gave us informed and considerable skills in negotiations, never losing sight of our House's position of long-standing. You were tough and decisive, but always reconciling the differences so we can move ahead, never losing this battle for the people. You gave us opportunities to discuss openly our differences. Your leadership enabled us to be unified through our differences. The democratic process prevailed, and we forged ahead -- unified. Still, in our decisions to do our best for the people of this State, no matter what the issue, we have our bloodless battle and there should be no emotional scars after the vote for any solutions to any bill.

"Mr. Speaker, I commend you and your leadership team for your directions and for listening to the House members. We have two sessions -- the public should not overlook our achievements. A regular session when we

did our work well -- people should remember that. And the other session -- a cleanup session. It takes two, but the answer is not a unicameral legislation. We must always have room to dialogue and negotiate. It is not easy, but it has to be done.

"I also commend Chairman Say for his leadership with the procurement bill, and his ability to make decisions and to listen to his colleagues in public. I commend Chairman Bunda for his insurance bill.

"People make laws and people enforce laws, and because we are imperfect people, we will always continue to amend change and enact new laws. We must always remember that there will always be another day and another time for us to do our job in representing our people. There will always be another day to make good.

"Mr. Speaker, I look forward to the 1994 legislative session, and I am confident we will continue as someone said, 'to do the right thing.'

"Thank you."

Representative Lee then rose and requested that 'the Journal reflect, for the record, by reference only, my remarks in support of this bill made on September 3, 1993.

"Thank you."

The Chair, noting that there were no objections, "so ordered." (By reference only)

Representative Amaral then rose to speak against the bill, stating:

"Mr. Speaker, one of the reasons I really enjoy my responsibilities here as a legislator is that it gives me the opportunity to sit in committees and on the floor, and to analyze black letter law and the contents thereof, and speak as objectively as I can, given the collective wisdom of my colleagues and whatever input I can add to it. So it troubles me that the bill we are passing today does not say what I think needs to be said.

"As I have said in the past, Mr. Speaker, I would have hoped that somewhere in this document would have been language to prevent the building of two convention centers, and I don't see that kind of language in here. So when some of my colleagues speak about the boom to the economy and economic development projects, I simply am troubled that perhaps with two convention centers, you will see an unusual drain on the economy and a burden to the public.

"I am concerned also about the language on page 10 which relates to the purchase price, adding to it language about the transfer of the Kapolei Golf Course and the cleanup of the Ala Wai Canal, simply because, given the language that is stated here, the assurances that I have learned from other people are not accommodated in this black letter language.

"I add also that I am concerned, although I have been assured, that the only moneys that will be used will be transient accommodations tax and the general excise tax. When I read on page 13, line 20, that appropriations by the Legislature can be made to accommodate the operations and the building of this, that we are talking about finally tapping into the general fund money and, therefore, taxing the people for the operations of this. I can only relate, Mr. Speaker, to the bill that I have in front of me and not to whatever it is in other peoples' heads. But because of the language that is in front of me, I will continue to vote no.

"Thank you, Mr. Speaker."

Representative Kanoho then rose to speak in support of the bill, stating:

"At long last S7-93 will provide us -- the people of Hawaii -- with the mechanism to have a 'world-class' convention center which we can all be very proud of. Certainly, this has been a long and very difficult task. Frankly, with all the rhetoric, plans and proposals, I have and perhaps you, too, Mr. Speaker and members, have become very weary, if not exasperated. But all of it has been necessary, and all the long discussions have only reflected the divided opinion of our constituents and these differences, freely expressed, have not only been healthy, but assures that our democratic process is healthy and alive. We, and especially all the people of Hawaii, would be in deep trouble if there was not this kind of debate on controversial issues.

"Mr. Speaker, the Honolulu City Council is to be commended for rendering a very difficult convention center decision a few months ago. However, the size of the convention center and its approved density left much to be desired. Indeed, if the city had the resources or means, I am sure it would have been different. There was room for much needed improvement, and it is our responsibility to try to effect that improvement.

"We, in the Legislature, have been criticized for our position of committing taxpayers' dollars for a convention center when one on the same site has been approved without a need for public funds. We have also heard the naysayers exclaim that the private sector, primarily the hotels, who are one of the primary beneficiaries of increased visitor counts should absorb this entire cost.

"Now, let us suppose for a moment that the hotels were willing to assume that responsibility and funding a convention center. The hotels, out of necessity, would need to increase their room rates by at least one percent or one dollar for each hundred dollar room. The logistics of collection and the voluntary participation by all the hotel operators, both large and small, would be a horrendous nightmare.

"I submit that the funding mechanism for the convention center, as contained in the bill, provides the same end result, that the hotels, through their guests, some residents, but primarily visitors from distant shores, will be absorbing this cost. This \$350-million simply would not be obtained nor become available for schools, social services, or any other expenditure, but the extra tax dollars from our expanded economy will provide those moneys and will provide the dollars necessary to operate the convention center.

"We need a convention center and we need to proceed with its establishment now. The only site which enables us to proceed now is Aloha Motors. All others, at best, will result in delays -- lengthy delays -- if to be built at all. It's curtain time. Let's get the convention center show on the road.

"Thank you, Mr. Speaker."

Representative Beirne then rose to speak against the bill, stating:

"Mr. Speaker, my heart is saddened to have to cast a no vote at this time for S7-93, SD 1, regarding the convention center. I applaud the leadership for all the hard work and will be the first one to acknowledge that Hawaii's need for a convention center should be fulfilled.

"I have met with many of my constituents and community members who feel, at this time, that perhaps we, as legislators, do not know what their sentiments are about this issue.

"As expressed in the Majority caucus, I feel the most appropriate site is Fort DeRussy which is not being discussed, naturally. As a 42-year employee of the Outrigger Hotels, I know the traffic to Waikiki. I have walked the WALK, if you would.

"In 1986, Fort DeRussy may not have been the chosen site as records will reflect. However, today, under President Clinton's Administration, military bases like Barbers Point will be closed and Bellows Field is being addressed for return to DHHL. Although a sensitive topic, may I say this ... if number one plan does not deliver the convention center needed for Hawaii, and I agree one hundred percent we need a convention center, and plan number two is held up for whatever reason, let us not forget that a barricaded parking lot, smack in Waikiki, a base that accommodates only a 'few' military personnel, perhaps other bases still operating as Fort Armstrong, Fort Ruger, Fort Shafter, or any other military base, could accommodate those few military personnel that occupy valuable lands in Hawaii.

"Mr. Speaker, again I say 'thank you' to leadership -- your leadership -- in every sense of the word but from a Hawaiian, and if we want a Hawaiian sense of a convention center, let it be overlooking the deep blue Hawaiian ocean rather than Kapiolani Boulevard.

"The Waikiki Master Plan, Mr. Speaker, should have already addressed this site to include it.

"Thank you very much."

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

"As much of the discussion has gone on, I will insert most of my remarks. But, Mr. Speaker, I would be remiss if I didn't take the opportunity to express the thanks of the House Majority to you, Representatives Cachola and Say, for leadership on this matter. The House always took the high road, even when the trek became an arduous one, especially in bringing the Senate around to where the House began as we convened this special session back in August. The endless hours paid off, the democratic process, never a swift or easy one when issues are complex, has worked, and I believe that we can adjourn today confident that the tasks before us, particularly this one, have been completed.

"Thank you, Mr. Speaker."

Further remarks by Representative Baker are hereby inserted:

"Mr. Speaker and colleagues, after much discussion, deliberation and consideration, we are tasked with approving a convention center, one of the most significant economic opportunities this State has seen in a long time. And while this issue has come to us on many occasions in the past and failed, I believe that the measure before is significantly different ... different in that it encompasses a variety of specific benefits to the State of Hawaii and provides safeguards ensuring its success.

"An integral part of that success is the 'world class' specifications to which the convention center will be built. It will be a stand-alone facility; it will offer 200,000 square feet of exhibition space on one level; and it will be situated in close proximity to existing hotels, regardless of what site is chosen. These are the

requirements that the visitor industry and convention planners advise us are necessary to effectively compete for and attract the lucrative convention business -- with this measure we delivered.

"It is also important to note that the cost of building a convention will not be borne by Hawaii's residents, but by the industry that stands to benefit the most. The one percent increase in the TAT will have minimal impact on local residents and the visitor industry itself has embraced the idea, despite the potential effect it could have on their business, especially in the short term. But our visitor industry leaders recognize the long-run value of a convention center and are willing to make concessions to ensure its realization.

"Mr. Speaker and colleagues, I cannot emphasize enough how important it is for us to act now. With our visitor industry experiencing alarming declines, we need the kind of stimulus that a convention center can provide to jumpstart our State's largest money-maker and future source of funding for education, human services, health and other important programs to provide for the needs of the people of Hawaii.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the House agreed to the amendments proposed by the Senate to H.B. No. S7-93, and H.B. No. S7-93, SD 1, entitled: "A BILL FOR AN ACT RELATING TO A CONVENTION CENTER," having been read throughout, passed Final Reading by a vote of 39 ayes to 9 noes, with Representatives Amaral, Bainum, Beirne, Hagino, Hiraki, Hirono, M. Ige, Takumi and Tam voting no, and Representatives Apo, Peters and Shon being excused.

The Chair directed the Clerk to note that H.B. No. S7-93 had passed Final Reading at 12:14 o'clock p.m.

INTRODUCTION OF RESOLUTIONS

The following resolutions (H.R. Nos. S7-93 and S8-93) were read by the Clerk and were disposed of as follows:

H.R. No. S7-93, entitled: "HOUSE RESOLUTION AUTHORIZING THE SPEAKER TO APPROVE THE JOURNAL OF THIS HOUSE OF ANY LEGISLATIVE DAY BEING COMPILED AS OF THE 15TH DAY," was jointly offered by Representatives Baker, Young, Ihara, Ward and Thielen.

On motion by Representative Ihara, seconded by Representative Thielen and carried, H.R. No. S7-93 was adopted.

H.R. No. S8-93, entitled: "HOUSE RESOLUTION AUTHORIZING AND DIRECTING THE COMMITTEE ON THE JOURNAL TO COMPILE AND PRINT THE JOURNAL OF THE HOUSE OF REPRESENTATIVES, FIRST SPECIAL SESSION OF 1993," was jointly offered by Representatives Baker, Young, Ihara, Ward and Thielen.

On motion by Representative Ihara, seconded by Representative Thielen and carried, H.R. No. S8-93 was adopted.

ANNOUNCEMENT

At this time, the Speaker introduced to the members of the House his nephew, Dr. Mike Chun, from Seattle.

ADJOURNMENT

Representative Ihara moved that the House of Representatives of the Seventeenth Legislature of the State of Hawaii, First Special Session of 1993, adjourn Sine Die, seconded by Representative Thielen and carried.

At 12:17 o'clock p.m., the Speaker rapped his gavel and declared the House of Representatives of the Seventeenth Legislature of the State of Hawaii, First Special Session of 1993, adjourned Sine Die.

**GOVERNOR'S MESSAGES RECEIVED AFTER THE ADJOURNMENT
OF THE LEGISLATURE SINE DIE**

Gov. Msg. No. 8 informing the House that on September 21, 1993, he signed the following bills into law:

House Bill No. S9-93 as Act 5, entitled: "MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS"; and

House Bill No. S10-93 as Act 6, entitled: "RELATING TO STATE OFFICERS AND EMPLOYEES EXCLUDED FROM COLLECTIVE BARGAINING AND MAKING APPROPRIATIONS AND OTHER ADJUSTMENTS".

Gov. Msg. No. 9 informing the House that on October 4, 1993, he signed the following bills into law:

House Bill No. S7-93 as Act 7, entitled: "RELATING TO A CONVENTION CENTER"; and

Senate Bill No. S3-93 as Act 8, entitled: "RELATING TO PROCUREMENT".

Gov. Msg. No. 10 transmitting copies of the following report: **1992 Annual Report of the Environmental Council.**

Gov. Msg. No. 11 transmitting copies of the following report: **Commission on Persons with Disabilities, Annual Report for Fiscal Year 1992-1993.**

Gov. Msg. No. 12 transmitting copies of the Annual Report of activities under the Job Training Partnership Act for the Program Year 1991 (July 1, 1991 to June 30, 1992), prepared by the Hawaii Job Training Coordinating Council.

SPECIAL COMMITTEE REPORT**Spec. Com. Rep. 1-93**

Your Committee on Credentials begs leave to report that it has thoroughly considered the matter of the seating of Larry Tanimoto as a member of the House of Representatives of the Seventeenth Legislature of the State of Hawaii.

Your Committee was referred the communication from the Governor of the State of Hawaii on the appointment of Larry Tanimoto to fill the vacancy created by the passing of Representative Mike O'Kieffe. After reviewing the communication of appointment and the qualification of the appointee, your Committee finds the said appointee to be qualified and recommends that Larry Tanimoto be seated as a member of the House of Representatives from the Sixth Representative District.

Signed by Representatives Tom, Menor, Herkes, Takamine and Thielen.

STANDING COMMITTEE REPORTS

SCRep. S1-93 Finance on H.B. No. S1-93

The purpose of this bill is to fulfill the requirements of Article VII, section 13, of the Constitution of the State of Hawaii. This provision requires the Legislature to include a declaration of findings in every general law authorizing the issuance of general obligation bonds, which shall declare the issuance of State bonds authorized will not cause the debt ceiling to be exceeded at the time of issuance.

Act 344, Session Laws of Hawaii 1993, was intended to fulfill the requirements of Article VII, section 13, of the Constitution of the State of Hawaii. However, it was determined that Act 344 did not incorporate the provisions of Act 364, Session Laws of Hawaii 1993, (Relating to Education), which:

- (1) Authorizes the Director of Finance to issue general obligation bonds in the sum of \$90,000,000 in fiscal year 1993-1994 and \$90,000,000 in fiscal year 1994-1995; and
- (2) Appropriates the same sum for deposit into the State educational facilities improvement special fund.

For this reason, one of the specific purposes of this bill is to correct this oversight.

Relatedly, your Committee finds that House Bill No. S4-93, (Relating to a Convention Center) is expected to pass the Legislature during this special session. Because this bill also authorizes the issuance of general obligation bonds for the development of a convention center in Waikiki, the provisions of House Bill No. S4-93 must also be incorporated in the amendments to Act 344, Session Laws of Hawaii 1993.

Therefore, the purpose of this bill is to amend Act 344, Session Laws of Hawaii 1993, by incorporating references to:

- (1) Act 364, Session Laws of Hawaii 1993, (Relating to Education); and
- (2) House Bill No. S4-93 (Relating to a Convention Center);

and to declare findings that the total amount of principal and interest, estimated for such bonds authorized but unissued and calculated for all bonds issued and outstanding, will not cause the debt limit to be exceeded at the time of issuance.

The Department of Budget and Finance testified in support of 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 H.B. No. S1-93 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. S2-93 Finance on H.B. No. S2-93

The purpose of this bill is to amend Act 289, Session Laws of Hawaii 1993, to provide for using a portion of the special fund appropriation for highways administration to pay principal and interest on general obligation bonds. The original language provided for payment of principal and interest on revenue bonds only, but the intent of the Legislature was to include both general obligation and revenue bonds in this budget proviso.

Your Committee received testimony in support of this bill from the Department of Budget and Finance.

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 H.B. No. S2-93 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. S3-93 Finance on H.B. No. S3-93

The purpose of this bill is to provide fund authorizations and appropriations for the fiscal biennium 1993-1995 for collective bargaining unit 11 cost items, including the cost of salary adjustments negotiated between the State and the bargaining unit representative.

The actual amounts to be appropriated to cover the costs of the cost items and salary adjustments for unit 11 are set forth in this measure.

Your Committee received testimony in support of this measure from the Office of Collective Bargaining and the Hawaii State Fire Fighters Association.

As affirmed by the record of votes of the members of your Committee on Finance that are attached to this report, your Committee is in accord with the intent and purpose of H.B. No. S3-93, 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. S4-93 Finance and Tourism on H.B. No. S4-93

The purpose of this bill is to provide for the financing of the development and construction of a convention center by:

- (1) Establishing the Convention Center Capital and Operations Special Fund (Special Fund) for the deposit of:
 - (a) A portion of the revenues of the Transient Accommodations Tax (TAT);
 - (b) All revenues derived from convention center operations;
 - (c) All or a portion of revenues from parking and garage facility operations and convention center concessions;
 - (d) All proceeds from revenue bonds issued by the Convention Center Authority; and
 - (e) Legislative appropriations to the Special Fund;
- (2) Increasing the TAT from five to six percent, beginning on July 1, 1994;
- (3) Changing the disbursement of TAT revenues, whereby beginning on July 1, 1994:
 - (a) One-sixth of the TAT revenues shall be deposited into the Special Fund; and
 - (b) Of the remaining revenues, five percent is to be retained by the State; and of the remainder, Kauai County shall receive 14.5 percent, Hawaii County shall receive 18.6 percent, Maui County shall receive 22.8 percent, and the City and County of Honolulu shall receive 44.1 percent;
- (4) Authorizing the issuance of:
 - (a) \$350,000,000 in general obligation bonds or reimbursable general obligation bonds for fiscal years 1993-1994 and 1994-1995; and
 - (b) \$350,000,000 in revenue bonds for fiscal years 1993-1994 and 1994-1995 from moneys in the Special Fund; and
- (5) Appropriating \$4,125,000 for fiscal year 1993-1994 and \$8,250,000 for fiscal year 1994-1995 to pay for debt service.

This bill also repeals the Convention Center Development Revolving Fund.

Your Committees recognize that the highly competitive travel market necessitates that the State take steps to ensure Hawaii's place as a prime destination for business and leisure activity in the national and international visitor market. In addition, your Committees recognize that the development of a world-class convention center in Hawaii would serve as a highly-lucrative source of revenues, jobs, and other opportunities for the State.

Your Committees find that the State and the counties will benefit from future increases in convention-related business, which is expected to add an estimated \$335,000,000 a year in new tax revenues. Recognizing the vital importance of the tourism industry as a valuable economic asset to the State, your Committees have taken great efforts to provide a sound funding mechanism in order to develop a convention center that will benefit the entire community.

In short, a convention center would:

- (1) Support and strengthen Hawaii's tourism industry by helping to fill in the valleys--the high and low periods of visitor activity--of the cyclical visitor market;
- (2) Serve as a stimulus for the renewal, growth, and revitalization of the communities within the State;
- (3) Upgrade, enhance, and diversify Hawaii's visitor industry;
- (4) Provide the State with immense opportunity to tap into the highly-lucrative and growing convention, meeting, and trade show market; and
- (5) Expand, diversify, and strengthen the State's economic base through increased business development and increased employment opportunities.

The Department of Budget and Finance testified in support of this measure. Your Committee received oral comments in opposition to this measure from State Representative David Hagino. Your Committee also received comments on this measure from the Department of Business, Economic Development, and Tourism.

As affirmed by the record of votes of the members of your Committees on Finance and Tourism that is attached to this report, your Committees are in accord with the intent and purpose of H.B. No. S4-93 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representative Tajiri.
(Representative Tam voted no.)

SCRep. S5-93 Tourism and Finance on H.B. No. S5-93

The purpose of this bill is to authorize the development of a convention center at either the Aloha Motors site, approximately 9.7 acres, (including tax map key: 2-3-35:1,2,4,5,8,10) or, in the alternative, the Ala Wai Golf Course site, approximately 16 acres, (tax map key: 2-7-36:por.2).

Among other things, this bill:

- (1) Authorizes the Convention Center Authority (Authority) to negotiate for the purchase of the Aloha Motors site, with a maximum price of \$350,000,000 to purchase the undeveloped Aloha Motors site and for convention center development and construction costs;
- (2) Provides that the binding agreement for the purchase and sale of the Aloha Motors site be executed by the Authority and the appropriate party of the site by 11:59 p.m. on the sixtieth calendar day after the effective date of the Act; or by 11:59 p.m. on the weekday immediately after the sixtieth calendar day, if the day falls on a weekend or on a state holiday;
- (3) Provides for the automatic designation of the Ala Wai Golf Course site as the site of the convention center if a binding agreement is not entered into for the purchase and sale of the Aloha Motors site within the 60-day period;
- (4) Specifies that if the Ala Wai Golf Course site is designated as the convention center site:
 - (a) The Governor would be authorized to transfer the use, operation, and control of Kapolei Golf Course to the City and County of Honolulu (City and County), if the City and County agrees to accept the transfer;
 - (b) Watershed management activities would be implemented for the cleanup and maintenance of Ala Wai Canal; and
 - (c) The Governor would be authorized to transfer the use and control of the lands, property, and facilities pertaining to the Ala Wai Golf Course site to the Authority upon six months written notice to the City and County before transfer to the State;
- (5) Establishes general criteria for the development of a convention center;
- (6) Expands the powers of the Authority, but deletes the Authority's powers to permit ancillary development by the developer;
- (7) Empowers the Authority to apply for flood insurance coverage with respect to the convention center district in the manner that the mayors and county councils are currently empowered to apply for flood insurance coverage;
- (8) Requires the Authority to establish rules for the convention center district to include land development, flood plain management, mitigation, and permitting; and
- (9) Requires the Authority to review and approve the developer's convention center development plan.

Your Committees recognize that the development of a world-class convention center for Hawaii will bring invaluable benefits to the State by serving as a positive source of revenues, jobs, and other economic opportunities. A convention center would also reinforce the State's position as a prime destination in the national and international travel market.

Your Committees find that the visitor activity and business generated by a convention center will, among other things:

- (1) Upgrade, enhance, and diversify Hawaii's visitor industry;
- (2) Strengthen efforts to affirm Hawaii as an ideal place to conduct business as well as leisure activity;
- (3) Help establish Hawaii as a national and international business center;
- (4) Provide the State with substantial opportunity to tap into the highly-lucrative and growing convention, meeting, and trade show market;
- (5) Stimulate existing local industries;
- (6) Broaden and increase the State's tax revenue base; and
- (7) Expand and diversify the State's economic base through increased business development and increased employment opportunities.

Your Committees recognize that a convention center that meets "world-class" standards would attract and accommodate the competitive and lucrative convention and trade show market, thereby complementing Hawaii's hotel and other

tourism-related industries. The development of a convention center would be a stimulus for the renewal, growth, and revitalization of various communities within the State.

Your Committee received numerous testimony and comments from various individuals and organizations on the bill. Among them include: the Director of the Department of Business, Economic Development, and Tourism; State Representative David Hagino; the City Managing Director of the City and County of Honolulu; the Chair and Chair-elect of the Hawaii Convention Park Council; The Queen Emma Foundation; the Chair and Chief Executive Officer of the Meyers Corporation; the Spokesperson for the Convention Center Coalition; the Chair of the Hawaii Hotel Association; the Vice President of Government Affairs of the Chamber of Commerce of Hawaii; World Trade Center Associates; the Chair of Waikiki Neighborhood Board No. 9; the Chair of the Business/Tourism Committee on Waikiki Neighborhood Board No. 9; McCully/Moiliili Neighborhood Board No. 8; and other interested individuals.

As affirmed by the record of votes of the members of your Committees on Tourism and Finance that is attached to this report, your Committees are in accord with the intent and purpose of H.B. No. S5-93 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committees.

SCRep. S6-93 Consumer Protection and Commerce on H.B. No. S6-93

The purpose of this bill is to:

- (1) Attract additional insurance companies, increase the availability of insurance coverage, and increase the insurance capacity of this State by repealing the "take-all-comers" provision of the Hawaii No-Fault Law;
- (2) Give judges further discretion in the disposition of cases involving offenses for driving without a no-fault policy, and reduce penalties for driving without a no-fault policy;
- (3) Clarify statutory provisions relating to stacking uninsured and underinsured coverages;
- (4) Reduce medical costs to consumers by prohibiting the practice of fee-splitting among health care providers; and
- (5) Require insurance companies providing no-fault insurance to continue to include the amount of savings resulting from Acts 123 and 124, Session Laws of Hawaii 1992, when filing their rates pursuant to Article 14 of Chapter 431, Hawaii Revised Statutes.

By way of a brief background, in 1992 this State experienced a catastrophic natural disaster which has changed the perception of the State's vulnerability to hurricanes, resulted in millions of dollars of property damage, and severely threatened the public welfare of our citizenry. In light of this, legislation was passed during the 1992 Regular Session to address the pressing and complicated issues of homeowners' insurance exacerbated from Hurricane Iniki, and the related failure of Hawaiian Insurance Group.

During public hearings on this legislation, your Committee was informed by both the Insurance Division of the Department of Commerce and Consumer Affairs and various industry representatives that in order to attract additional insurance companies into Hawaii's market, the State would need to reexamine and possibly rewrite a provision of the Hawaii No-Fault Law that prohibited insurance companies from rejecting any application for a no-fault policy or optional additional insurance that insurers were mandated to make available.

While your Committee realizes that the need to repeal this portion of the statute--which has come to be known as the "take-all-comers" provision--may not be readily apparent to some, it is important to acknowledge that if Hawaii is to increase the availability of insurance, especially homeowners' insurance (a commodity critically needed in our community), the Legislature must take steps to remove impediments to the entrance of additional insurance companies into the local market. If the State refrains from taking such action, the homeowners of this State may continue to suffer from a lack of available insurance, and further leave open the possibility that the limited availability of homeowners coverage may spread to other lines of insurance.

It is noteworthy to mention that Hawaii is one of two states that has a "take-all-comers" provision. Due to this uniqueness, your Committee believes that the "take-all-comers" provision is one of the obstacles preventing or constraining the entrance of additional insurance companies into Hawaii's market.

Moreover, your Committee believes that there is no definitive evidence that the "take-all-comers" provision has been effective. While well-intended, your Committee believes that the "take-all-comers" provision may not be the best solution to encouraging universal no-fault coverage throughout our State. Even with this provision, your Committee was informed that the State's ratio of uninsured motorist population to the general population does not significantly differ with states that do not have similar statutory provisions.

In recognition of this problem, the bill would amend the Hawaii No-Fault law to repeal the existing "take-all-comers" provision and replaces it with provisions that allow insurers to non-renew or conditionally renew up to two per cent of the total number of covered no-fault policies issued in the previous calendar year. This follows a similar statute in the state of New York.

Furthermore, this bill would also amend statutes pertaining to the Joint Underwriting Plan (JUP) to create a new classification of insureds under the JUP. Specifically, this provision would provide a safety net for those automobile owners and drivers who are otherwise unable to obtain no-fault coverages from private insurers. However, it is not the

intent of this Committee that the new JUP classification be a competitor to private insurers, or that the public affirmatively seek JUP coverage. Your Committee, therefore, believes that the premium for this new classification of coverage should be higher than that available in the private market, but lower than the premium charged by the JUP for high risk drivers.

In addition, this bill also prohibits insurers from discriminating against insureds wishing to renew policies, solely on the basis of a person's race, creed, ethnic extraction, age, sex, length of driving experience, marital status, residence, the presence of a physical handicap, or because of an election by the insured of any required or optional coverage or deductible provided by law.

Section 4 of this bill provides judges with additional discretion in the imposition of fines in those instances where a person, who despite all good-faith efforts, has been unable to obtain no-fault insurance. It is not the intent of your Committee that this be an exemption for persons who knowingly or intentionally decide not to obtain no-fault insurance coverage and who are otherwise capable of securing required coverages. Rather, it is your Committee's intent that this language provide the Judiciary with additional tools to dispense justice equitably.

Section 5 of this bill clarifies provisions relating to the issuance of stacking and higher coverage limits for uninsured and underinsured motorist coverage. At present time, the insurer must offer both options to consumers at the time the policy is first issued, and the consumer may initiate election of the required optional coverage at any time subsequent to issuance. However, while this section establishes the required offer of uninsured motorist/underinsured motorist (UM/UIM) limits commensurate with the bodily injury liability coverage limits in the insured's policy, it is not the intent of this Committee to prohibit insurers from voluntarily offering UM/UIM coverage in excess of the insured's bodily injury coverage.

Further, this provision has also been clarified with respect to the legal treatment of a written rejection of additional coverages.

Section 6 of this bill prohibits the practice of fee splitting among health care providers. The practice of fee splitting--the receipt of a fee or commission for the referral of clients--contributes to increased medical costs, and has subsequently led to an increase in the cost of insurance. This section clearly and without equivocation prohibits such practices, and precludes referrals to entities in which the referring provider may have a financial interest, unless a disclosure of that financial interest is made.

Sections 7 and 8 of this bill makes technical amendments to the JUP to provide consumers with the ability to secure required no-fault coverages.

Section 9 of this bill clearly articulates the Legislature's intent that the amount of any savings resulting from Acts 123 and 124, Session Laws of Hawaii (SLH) 1992, be included in rate filings by insurers. During the course of public hearings held by your Committee, the Committee was informed by the Insurance Commissioner and the Insurance Division's actuary, that the full 15 per cent premium reduction has been imposed on all of the rate filings made by no-fault insurers. Testimony was also submitted that indicated that without the passage of Acts 123 and 124, no-fault rates may have increased by double-digit proportions. This is to be contrasted with statements made to the contrary, suggesting that the public has not received the full benefit of the 15 per cent premium rollback required pursuant to Acts 123 and 124, SLH 1992.

However, testimony from the Insurance Commissioner indicates that a further mandated reduction would not be constitutionally permissible given current case law in this area restricting the ability of government to impose any price controls that would be either confiscatory, or that would deny a "fair rate of return" to insurers. Given these constraints, your Committee believes that it would be misleading and irresponsible to require additional mandatory insurance premium rollbacks that could possibly expose the State to legal liabilities, protracted litigation, and additional coverage availability problems.

Accordingly, your Committee does not want to create false hopes or expectations in the minds of the motoring public through the imposition of a mandatory rate rollback that would be of questionable validity. Instead, this section of the bill requires companies to continue to reflect the savings resulting from Acts 123 and 124, SLH 1992, in their future rate filings.

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 H.B. No. S6-93 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.
(Representatives Amaral, Hiraki and Hirono voted no.)

SCRep. S7-93

Finance on H.B. No. S9-93

The purpose of this bill is to provide fund authorizations and appropriations for the fiscal biennium 1993-1995 for collective bargaining unit 9 cost items, including the cost of salary adjustments negotiated between the State and the bargaining unit representative.

The actual amounts to be appropriated to cover the costs of the cost items and salary adjustments for unit 9 are set forth in this measure.

Your Committee received testimony in support of this measure from the Office of Collective Bargaining 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 H.B. No. S9-93, 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 Alcon, Tam, Marumoto and Ward.

SCRep. S8-93 Finance on H.B. No. S10-93

The purpose of this bill is to provide additional amounts to be appropriated or authorized to fund the cost items and salary adjustments pertaining to State officers and employees excluded from collective bargaining (Program Planning, Analysis, and Budgeting (BUF 101)) by amending Act 299, Session Laws of Hawaii 1993.

Your Committee received testimony in support of this measure from the Office of Collective Bargaining 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 H.B. No. S10-93, and recommends tht it pass Second Reading and be placed on the calendar for Third Reading.

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

SCRep. S9-93 Finance on H.B. No. S8-93

The purpose of this bill is to promote economy, efficiency, and effectiveness in the procurement of goods and services and the construction of public works for the State and counties by improving and updating the State's laws relating to government procurement.

More specifically, the bill, among other things:

- (1) Sets forth basic organizational concepts for establishing procurement policy and conducting procurement operations, including:
 - (A) Creating an autonomous State Procurement Policy Office with the authority to: consider and decide matters of public procurement policy referred by the chief procurement officer; adopt rules governing the procurement, management, control, and disposal of goods, services, and construction; and audit and monitor the implementation of these rules;
 - (B) Establishing a procurement office within the Department of Accounting and General Services, to be headed by an administrator who shall be the chief procurement officer for all governmental bodies of the executive branch except the University of Hawaii, the Department of Education, and governmental bodies administratively attached thereto;
 - (C) Designating the chief procurement officer for the Judiciary, Senate, House of Representatives, Office of Hawaiian Affairs, the University of Hawaii, the Department of Education, and the remaining departments of the State's executive branch, as well as the governmental bodies administratively attached to them;
 - (D) Establishing a compliance audit unit in the Office of the Auditor to review and audit government procurement practices and advocate competition, fairness, and accountability therein; and
 - (E) Requiring Chapter 92F, Hawaii Revised Statutes, public access to procurement information;
- (2) Establishes the criteria and requirements for source selection methods and contract formation by:
 - (A) Requiring contracts for the procurement or disposal of goods or services, or construction to be awarded by competitive sealed bidding; and
 - (B) Providing exceptions to the competitive sealed bidding requirements, by allowing the use of competitive sealed proposals, professional services procurement, small purchases, sole source procurement, and emergency procurements;
- (3) Allows any type of contract promoting the State's best interests, and sets forth specific provisions regarding "cost-reimbursement" and "cost-plus-a-percentage-of-cost" contracts, approval of accounting systems, and multi-term contracts;
- (4) Provides for finality of determinations, and sets forth provisions relating to the reporting of anticompetitive practices and the retention of procurement records;
- (5) Provides for the development, monitoring, and usage of specifications, including requirements for maximum practicable competition promotion and the adoption by the policy office of rules governing the preparation, maintenance, and content of specifications for State-required goods, services, and construction;

- (6) Authorizes the Policy Office to adopt rules requiring, among other things, that contracts provide for adjustments in prices, time of performance, and prompt payment by contractors to subcontractors;
- (7) Prescribes remedies and provides mechanisms for the resolution of disputes relating to solicitations and awards, contract performance, and debarment or suspension determinations; and
- (8) Sets forth provisions designed to facilitate cooperative procurement among the various units of government and provide assistance to small businesses.

The effective date of this bill is July 1, 1994. However, to expedite its implementation, certain provisions are effective upon approval of the Act. This includes provisions pertaining to: procurement education and training; the creation, authority, and duties of the State Procurement Policy Office; the creation of the executive Procurement Office; the adoption of rules by the State Procurement Policy Office; and the position reclassification review and report.

Your Committee received testimony in support of the intent of this measure from the Director of Finance of the City and County of Honolulu and the Department of Accounting and General Services.

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 H.B. No. S8-93 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 Alcon, Tam, Marumoto and Ward.

SCRep. 10-93 Tourism and Finance on H.B. No. S7-93

The purposes of this bill are to:

- (1) Authorize the development of a convention center at either the Aloha Motors site, approximately 9.7 acres, (including tax map key: 2-3-35:1, 2, 4, 5, 8, and 10; and tax map key: 2-3-36:18, 24, and 25) or, in the alternative, the Ala Wai Golf Course site, approximately 16 acres, (tax map key: 2-7-36: por. 2);
- (2) Provide for the financing of the development and construction of a convention center; and
- (3) Fulfill the requirements of Article VII, section 13, of the Constitution of the State of Hawaii, which requires the Legislature to include a declaration of findings in every general law authorizing the issuance of general obligation bonds, which shall declare that the issuance of state bonds authorized will not cause the debt ceiling to be exceeded at the time of issuance.

Among other things, the provisions in Part I of the bill, relating to the development of the convention center:

- (1) Authorizes the Convention Center Authority (Authority) to negotiate for the purchase of the Aloha Motors site, with a maximum price of \$350,000,000 for its purchase and for convention center development and construction costs;
- (2) Provides that the binding agreement for the purchase and sale of the Aloha Motors site be executed by the Authority and the appropriate person by 11:59 pm on the sixtieth calendar day after the effective date of the Act; or by 11:59 pm on the weekday immediately after the sixtieth day, if the day falls on a weekend or on a state holiday;
- (3) Provides for the automatic designation of the Ala Wai Golf Course site as the site of the convention center if a binding agreement is not entered into for the purchase and sale of the Aloha Motors site within the 60-day period;
- (4) Provides that if the Ala Wai Golf Course site is designated as the convention center site:
 - (a) The Governor would be authorized to transfer the use, operation, and control of the Kapolei Golf Course to the City and County of Honolulu (City), if the City agrees to accept the transfer;
 - (b) Wasteshed management activities would be implemented for the cleanup and maintenance of the Ala Wai Canal; and
 - (c) The Governor would be authorized to transfer the use and control of the lands, property, and facilities pertaining to the Ala Wai Golf Course site to the Authority upon six months' written notice to the City before transfer to the State;
- (5) Establishes general criteria for the development of a convention center, including the following:
 - (a) The facility shall be a stand-alone facility;
 - (b) The facility shall be owned and operated by the Authority;
 - (c) A minimum of 200,000 gross square feet shall be exhibit space; and
 - (d) The exhibit space and related support space shall be on a single level;

- (6) Empowers the Authority to apply for flood insurance coverage with respect to the convention center district in the manner that the mayors and county councils are currently empowered to apply for flood insurance coverage;
- (7) Requires the Authority to establish rules for the convention center district to include land development, flood plain management, mitigation, and permitting;
- (8) Authorizes the Governor to set aside, transfer, convey, or lease public lands wherever situated and whether or not set aside to any department or agency of the State or a county; and
- (9) Requires the Authority to utilize a request for proposals (RFP) process in providing for the construction of the convention center.

Among other things, the provisions of Part II of the bill, relating to the financing of the development and construction of a convention center:

- (1) Establishes the Convention Center Capital and Operations Special Fund (Special Fund) for the deposit of:
 - (a) A portion of the revenues from the Transient Accommodations Tax (TAT);
 - (b) All revenues derived from the operations of the convention center;
 - (c) All or a portion of revenues derived from parking and garage facilities and convention center concessions;
 - (d) All proceeds from revenue bonds issued by the Authority; and
 - (e) Legislative appropriations to the Special Fund;
- (2) Provides that the moneys in the Special Fund shall be used for planning, design, improvement, construction, land acquisition, equipment, and furnishing for the development or maintenance of a convention center;
- (3) Requires the Authority to review and approve plans, specifications, and designs;
- (4) Increases the TAT from five to six per cent, beginning July 1, 1994;
- (5) Changes the disbursement of TAT revenues, whereby beginning July 1, 1994:
 - (a) One-sixth of the TAT shall be deposited into the Special Fund;
 - (b) Five per cent of the remaining revenues shall be retained by the State; and
 - (c) The counties shall receive portions of the remainder in the following proportions: Kauai County shall receive 14.5 percent; Hawaii County shall receive 18.6 percent; the City shall receive 44.1 percent; and Maui County shall receive 22.8 percent;
- (6) Authorizes the issuance of:
 - (a) \$350,000,000 in general obligation bonds or reimbursable general obligation bonds for fiscal years 1993-1994 and 1994-1995; and
 - (b) \$350,000,000 in revenue bonds for fiscal years 1993-1994 and 1994-1995, from moneys in the Special Fund;
- (7) Appropriates \$4,125,000 for fiscal year 1993-1994 and \$8,250,000 for fiscal year 1994-1995 out of the Special Fund for the Authority to pay for debt service, and the same sum out of the general revenues of the State for the Department of Budget and Finance to pay for debt service; and
- (8) Repeals the Convention Center Development Revolving Fund.

The provisions of Part III of the bill declares findings that the total amount of principal and interest estimated for the general obligation bonds authorized in this bill and for all bonds authorized and unissued and calculated for all bonds issued and outstanding and guaranties, will not cause the debt limit to be exceeded at the time of issuance.

Your Committees recognize that the development of a world-class convention center for Hawaii will bring invaluable benefits to the State by serving as a positive source of revenues, jobs, and other economic opportunities. A convention center would also reinforce the State's position as a prime destination in the national and international travel market.

Your Committees find that the visitor activity and business generated by a convention center will, among other things:

- (1) Upgrade, enhance, and diversify Hawaii's visitor industry;
- (2) Strengthen efforts to affirm Hawaii as an ideal place to conduct business as well as leisure activity;
- (3) Help establish Hawaii as a national and international business center;

- (4) Provide the State with substantial opportunity to tap into the highly-lucrative and growing convention, meeting, and trade show market;
- (5) Stimulate existing local industries;
- (6) Broaden and increase the State's tax revenue base; and
- (7) Expand and diversify the State's economic base through increased business development and increased employment opportunities.

Your Committees recognize that a convention center that meets "world-class" standards would attract and accommodate the competitive and lucrative convention and trade show market, thereby complementing Hawaii's hotel and other tourism-related industries. The development of a convention center would be a stimulus for the renewal, growth, and revitalization of various communities within the State.

Your Committees received written testimony in general support of this bill from: the Department of Budget and Finance, the Convention Center Authority, the Hawaii Hotel Association, and the Waikiki/Oahu Visitors Association. Your Committees also received oral comments in support of this bill from: the Queen Emma Foundation, the Hawaii Convention Park Council, the Convention Center Coalition, and Outrigger Hotels. A representative for golfers testified in opposition to this bill.

As affirmed by the records of votes of the members of your Committees on Tourism and Finance that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. S7-93 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representative Marumoto.

SCRep. S11-93 Finance on S.B. No. S3-93

The purpose of this bill is to promote economy, efficiency, and effectiveness in the procurement of goods and services and the construction of public works for the State and counties by improving and updating the State's laws relating to government procurement.

More specifically, the bill, among other things:

- (1) Sets forth basic organizational concepts for establishing procurement policy and conducting procurement operations, including:
 - (A) Creating an autonomous State Procurement Policy Office with the authority to: consider and decide matters of public procurement policy referred by the chief procurement officer; adopt rules governing the procurement, management, control, and disposal of goods, services, and construction; and audit and monitor the implementation of these rules;
 - (B) Establishing a procurement office within the Department of Accounting and General Services, to be headed by an administrator who shall be the chief procurement officer for all governmental bodies of the executive branch except the University of Hawaii, the Department of Education, and governmental bodies administratively attached thereto;
 - (C) Designating the chief procurement officer for the Judiciary, Senate, House of Representatives, Office of Hawaiian Affairs, the University of Hawaii, the Department of Education, and the remaining departments of the State's executive branch, as well as the governmental bodies administratively attached to them;
 - (D) Establishing a compliance audit unit in the Office of the Auditor to review and audit government procurement practices and advocate competition, fairness, and accountability therein; and
 - (E) Requiring Chapter 92F, Hawaii Revised Statutes, public access to procurement information;
- (2) Establishes the criteria and requirements for source selection methods and contract formation by:
 - (A) Requiring contracts for the procurement or disposal of goods or services, or construction to be awarded by competitive sealed bidding; and
 - (B) Providing exceptions to the competitive sealed bidding requirements, by allowing the use of competitive sealed proposals, professional services procurement, small purchases, sole source procurement, and emergency procurements;
- (3) Allows any type of contract promoting the State's best interests, and sets forth specific provisions regarding "cost-reimbursement" and "cost-plus-a-percentage-of-cost" contracts, approval of accounting systems, and multi-term contracts;
- (4) Provides for finality of determinations, and sets forth provisions relating to the reporting of anticompetitive practices and the retention of procurement records;

- (5) Provides for the development, monitoring, and usage of specifications, including requirements for maximum practicable competition promotion and the adoption by the policy office of rules governing the preparation, maintenance, and content of specifications for State-required goods, services, and construction;
- (6) Authorizes the Policy Office to adopt rules requiring, among other things, that contracts provide for adjustments in prices, time of performance, and prompt payment by contractors to subcontractors;
- (7) Prescribes remedies and provides mechanisms for the resolution of disputes relating to solicitations and awards, contract performance, and debarment or suspension determinations; and
- (8) Sets forth provisions designed to facilitate cooperative procurement among the various units of government and provide assistance to small businesses.

The effective date of this bill is July 1, 1994. However, to expedite its implementation, certain provisions are effective upon approval of the Act. This includes provisions pertaining to: procurement education and training; the creation, authority, and duties of the State Procurement Policy Office; the creation of the executive Procurement Office; the adoption of rules by the State Procurement Policy Office; and the position reclassification review and report.

Your Committee received testimony in support of the intent of this measure from the Director of Finance of the City and County of Honolulu and the Department of Accounting and General Services.

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 H.B. No. S8-93 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 Kanoho, Marumoto and Ward.

NUMBER AND TITLE	Introduced Referred	First Reading	Second Reading	Third Reading	Action of Senate	Conference Committee	Final Action	Action of Governor	Further Action	Act No.	Vetoed
HB S1-93 A BILL FOR AN ACT RELATING TO STATE BONDS.	6	6	7	12	26			31		1	
HB S2-93 A BILL FOR AN ACT RELATING TO THE SPECIAL FUND APPROPRIATION FOR HIGHWAYS ADMINISTRATION.	6	6	7	12	26			31		2	
HB S3-93 A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS.	6	6	7	12	26			31		3	
HB S4-93 A BILL FOR AN ACT RELATING TO A CONVENTION CENTER.	6	6	7	12							
HB S5-93 A BILL FOR AN ACT RELATING TO A CONVENTION CENTER.	6	6	7	13							
HB S6-93 A BILL FOR AN ACT RELATING TO NO-FAULT INSURANCE.	6	6	9	19	26			46		4	
HB S7-93 A BILL FOR AN ACT RELATING TO A CONVENTION CENTER.	30	30	31	33	44		46 53	54		7	
HB S8-93 A BILL FOR AN ACT RELATING TO PROCUREMENT.	30	30	31	39							

NUMBER AND TITLE	Introduced Referred	First Reading	Second Reading	Third Reading	Action of Senate	Conference Committee	Final Action	Action of Governor	Further Action	Act No.	Vetoed
HB S9-93 A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS.	30	30	31	39	43			54		5	
HB S10-93 A BILL FOR AN ACT RELATING TO STATE OFFICERS AND EMPLOYEES EXCLUDED FROM COLLECTIVE BARGAINING AND MAKING APPROPRIATIONS AND OTHER ADJUSTMENTS.	30	30	31	39	43			54		6	

NUMBER AND TITLE	Offered Referred	Report of Committee	Adoption	Action of Senate	Subsequent Action
HCR S1-93 REQUESTING A PLAN OF ACTION FOR A MORE EFFICIENT PROCUREMENT SYSTEM.	11				

NUMBER AND TITLE	Offered	Referred	Report of Committee	Adoption
HR S1-93 NAMING LARRY I. TANIMOTO AS THE MINORITY WHIP IN LIEU OF GENE R. WARD, AND HE SHALL BE A MEMBER OF THE FOLLOWING STANDING COMMITTEES: EDUCATION, HIGHER EDUCATION AND THE ARTS, HAWAIIAN AFFAIRS, HEALTH, HOUSING AND HUMAN SERVICES; AND THAT GENE R. WARD SHALL BE THE MINORITY LEADER AND BY VIRTUE OF WHICH POSITION SHALL BE A MEMBER OF THE COMMITTEE ON LEGISLATIVE MANAGEMENT.	2			2
HR S2-93 HONORING THE LIFE OF THE LATE REPRESENTATIVE MIKE O'KIEFFE AND EXTENDING DEEPEST SYMPATHY AND CONDOLENCES TO HIS FAMILY.	2			4
HR S3-93 REQUESTING A PLAN OF ACTION FOR A MORE EFFICIENT PROCUREMENT SYSTEM.	11	11		
HR S4-93. HONORING THE LATE TOMMY HOLMES AND EXTENDING CONDOLENCES TO HIS FAMILY.	26			26
HR S5-93. HONORING THE LATE GERALD I. MIYOSHI AND EXTENDING DEEPEST SYMPATHY AND CONDOLENCES TO THE MIYOSHI FAMILY.	29			29
HR S6-93. ELECTING PATRICIA MAU-SHIMIZU AS CHIEF CLERK OF THE HOUSE OF REPRESENTATIVES OF THE SEVENTEENTH LEGISLATURE OF THE STATE OF HAWAII, TO FILL THE VACANCY CREATED BY THE DEATH OF FORMER CHIEF CLERK GERALD I. MIYOSHI.	29			30
HR S7-93. AUTHORIZING THE SPEAKER TO APPROVE THE JOURNAL OF THIS HOUSE OF ANY LEGISLATIVE DAY BEING COMPILED AS OF THE 15TH DAY.	53			53
HR S8-93. AUTHORIZING AND DIRECTING THE COMMITTEE ON THE JOURNAL TO COMPILE AND PRINT THE JOURNAL OF THE HOUSE OF REPRESENTATIVES, FIRST SPECIAL SESSION OF 1993.	53			53

NUMBER AND TITLE	Received Referred	First Reading	Second Reading	Third Reading	Action of Senate	Conference Committee	Final Action	Action of Governor	Further Action	Act No.	Vetoed
SB S1-93 A BILL FOR AN ACT RELATING TO NO-FAULT INSURANCE.	24	24									
SB S3-93 A BILL FOR AN ACT RELATING TO PROCUREMENT.	39	39	40	42				54		8	