

## TWENTIETH DAY

Thursday, February 15, 1996

The House of Representatives of the Eighteenth Legislature of the State of Hawaii, Regular Session of 1996, convened at 12:13 o'clock p.m., with the Speaker presiding.

The invocation was delivered by Lieutenant Kenneth Yossa, CHC, USNR, Catholic Staff Chaplain Naval Station - Sub Base, Pearl Harbor, after which the Roll was called showing all members present with the exception of Representatives McMurdo, Menor and Meyer, who were excused.

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

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

## GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 157 and 158) were read by the Clerk and were placed on file:

Gov. Msg. No. 157, transmitting copies of the following: Report to the Eighteenth Legislature, State of Hawaii, 1996 on the Activities of the Department of Health, Environmental Health Administration, Office of Hazard Evaluation and Emergency Response and Use of the Environmental Response Revolving Fund (ERRF).

Gov. Msg. No. 158, transmitting copies of the following: Report to the Eighteenth Legislature, State of Hawaii, 1996 on House Concurrent Resolution No. 227, HD 1, Requesting the Department of Health to Analyze the Impacts Caused by Agricultural Activities in the Kaiaka-Waialua Bay Hydrological Unit on Marine Species in the Kaiaka-Waialua Bay.

At this time, Representative Saiki introduced to the members of the House a group of fourth grade students from Iolani School. They were accompanied by their teacher, Mr. Steven Doi; and parents, Mrs. Candace Hosoi and Mrs. Susan Wong.

At 12:20 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:46 o'clock p.m.

## ORDER OF THE DAY

## STANDING COMMITTEE REPORTS

Representative McMurdo, for the Committee on Public Safety and Military Affairs, presented a report (Stand. Com. Rep. No. 320-96) recommending that H.B. No. 3431 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3431, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO CONTINUE STATE SUPPORT FOR THE DEVELOPMENT OF THE PACIFIC DISASTER

CENTER," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 321-96) recommending that H.B. No. 3692, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3692, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO UPGRADE THE TELECOMMUNICATIONS SYSTEM OF THE HONOLULU POLICE DEPARTMENT," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 322-96) recommending that H.B. No. 4104, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4104, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE PROSECUTION OF DOMESTIC VIOLENCE," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 323-96) recommending that H.B. No. 2407 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2407, entitled: "A BILL FOR AN ACT RELATING TO STATUTORY REVISION: AMENDING, REENACTING, OR REPEALING VARIOUS PROVISIONS OF THE HAWAII REVISED STATUTES AND THE SESSION LAWS OF HAWAII FOR THE PURPOSE OF CORRECTING ERRORS AND REFERENCES, CLARIFYING LANGUAGE, AND DELETING OR REPEALING OBSOLETE OR UNNECESSARY PROVISIONS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 324-96) recommending that H.B. No. 2517 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2517, entitled: "A BILL FOR AN ACT RELATING TO THE PROMOTION OF PROSTITUTION," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 325-96) recommending that H.B. No. 3636 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3636, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 326-96) recommending that H.B. No. 3822 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3822, entitled: "A BILL FOR AN ACT RELATING TO THE STATEWIDE TRAFFIC CODE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 327-96) recommending that H.B. No. 2867, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2867, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROSTITUTION," 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. 328-96) recommending that H.B. No. 3905, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3905, HD 1, entitled: "A BILL FOR AN ACT RELATING TO USE TAXES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 329-96) recommending that H.B. No. 3184 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3184, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Second Reading and was referred to the Committee on Finance.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 330-96) recommending that H.B. No. 3532 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3532, entitled: "A BILL FOR AN ACT RELATING TO STATE PARKS," passed Second Reading and was referred to the Committee on Finance.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 331-96) recommending that H.B. No. 3638 pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3638, entitled: "A BILL FOR AN ACT RELATING TO STADIUMS,"

passed Second Reading and was referred to the Committee on Judiciary.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 332-96) recommending that H.B. No. 3914 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3914, entitled: "A BILL FOR AN ACT RELATING TO CAPITAL IMPROVEMENTS PERTAINING TO WATER AND LAND USE PLANNING," passed Second Reading and was referred to the Committee on Finance.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 333-96) recommending that H.B. No. 3916 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3916, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Second Reading and was referred to the Committee on Finance.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 334-96) recommending that H.B. No. 3290, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3290, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WILDLIFE AND GAME MANAGEMENT," passed Second Reading and was referred to the Committee on Judiciary.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 335-96) recommending that H.B. No. 3687, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3687, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONCESSIONS ON PUBLIC PROPERTY," passed Second Reading and was referred to the Committee on Finance.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 336-96) recommending that H.B. No. 3824, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3824, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE KAIMUKI MAIN STREET PROGRAM," passed Second Reading and was referred to the Committee on Finance.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 337-96) recommending that H.B. No. 4074, as

amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4074, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND EXCHANGE," passed Second Reading and was referred to the Committee on Finance.

Representative Lee, for the Committee on Higher Education and the Arts, presented a report (Stand. Com. Rep. No. 338-96) recommending that H.B. No. 4063 be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4063, entitled: "A BILL FOR AN ACT RELATING TO HIGHER EDUCATION," was referred to the Committee on Finance.

Representative Lee, for the Committee on Higher Education and the Arts, presented a report (Stand. Com. Rep. No. 339-96) recommending that H.B. No. 3954, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3954, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 340-96) recommending that H.B. No. 3469 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3469, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE DEMONSTRATION PROJECTS," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 341-96) recommending that H.B. No. 3476 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3476, entitled: "A BILL FOR AN ACT RELATING TO A DEFERRED COMPENSATION RETIREMENT PLAN FOR PART-TIME, TEMPORARY, AND SEASONAL/CASUAL EMPLOYEES," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 342-96) recommending that H.B. No. 3516 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3516, entitled: "A BILL FOR AN ACT RELATING TO VOLUNTARY WITHHOLDING OF FEDERAL AND STATE INCOME TAXES FROM UNEMPLOYMENT COMPENSATION,"

passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 343-96) recommending that H.B. No. 3834 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3834, entitled: "A BILL FOR AN ACT RELATING TO TECHNICAL AND VOCATIONAL TRAINING," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 344-96) recommending that H.B. No. 3835 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3835, entitled: "A BILL FOR AN ACT RELATING TO THE STATE POLICY CONCERNING THE UTILIZATION OF VOLUNTEER SERVICES," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 345-96) recommending that H.B. No. 2901, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2901, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT EFFICIENCY," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 346-96) recommending that H.B. No. 3466, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3466, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MODERNIZATION OF THE CLASSIFICATION AND COMPENSATION PLANS," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 347-96) recommending that H.B. No. 3612, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3612, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RETIREMENT SYSTEM MEMBERS," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 348-96) recommending that H.B. No. 3962, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3962, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 349-96) recommending that H.B. No. 3355 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3355, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE STATE CLEARINGHOUSE ON MISSING CHILDREN," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 350-96) recommending that H.B. No. 3339 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3539, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL INJURIES COMPENSATION," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 351-96) recommending that H.B. No. 3481, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3481, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR MARTIN LUTHER KING, JR., HOLIDAY ACTIVITIES BY THE CIVIL RIGHTS COMMISSION," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 352-96) recommending that H.B. No. 3505, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3505, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE REPRODUCTIVE RIGHTS PROTECTION COMMITTEE," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 353-96) recommending that H.B. No. 3538, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3538, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL INJURIES COMPENSATION," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 354-96) recommending that H.B. No. 3542, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3542, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GARNISHMENT OF INMATE MONEYS," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 355-96) recommending that H.B. No. 3643, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3643, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC VIOLATIONS," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 356-96) recommending that H.B. No. 3656, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3656, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY HISTORY CENTER," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 357-96) recommending that H.B. No. 3659, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3659, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT RECORDS," passed Second Reading and was referred to the Committee on Finance.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 358-96) recommending that H.B. No. 2394 pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2394, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was referred to the Committee on Consumer Protection and Commerce.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 359-96) recommending that H.B. No. 2575, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2575, HD 1, entitled: "A BILL FOR AN ACT RELATING TO



OPTICIANS," passed Second Reading and was referred to the Committee on Consumer Protection and Commerce.

Representative Chun Oakland, for the Committee on Human Services, presented a report (Stand. Com. Rep. No. 360-96) recommending that H.B. No. 3239, as amended in HD 1, pass Second Reading and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3239, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM CARE INSURANCE," passed Second Reading and was referred to the Committees on Consumer Protection and Commerce and Judiciary.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 361-96) recommending that H.B. No. 3138 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3138, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 362-96) recommending that H.B. No. 3434, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3434, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 363-96) recommending that H.B. No. 3868, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3868, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Thielen.

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

"Mr. Speaker, the purpose of this bill is to establish a comprehensive statewide educational assessment and accountability system. I guess the goal is laudable, Mr. Speaker, but basically, my question is: Why isn't the Department of Education doing this, why hasn't it done this, and why isn't this a part of normal Department of Education procedure?

"I think that the department always should be assessing the educational system, and always assessing whether or not those department people within the Department of Education are being accountable to our goal of educating our students. I don't know as though we need to appropriate money for this, because I really feel it should be a departmental function all along and not have the department come back to us for additional funds.

"I applaud the goal, but I think that that goal should be inherent within the Department of Education.

"Thank you, Mr. Speaker.

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3868, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 364-96) recommending that H.B. No. 3442 be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3442, entitled: "A BILL FOR AN ACT RELATING TO EARLY CHILDHOOD EDUCATION," was referred to the Committee on Finance.

Representative McMurdo, for the Committee on Public Safety and Military Affairs, presented a report (Stand. Com. Rep. No. 365-96) recommending that H.B. No. 3739, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3739, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A CORRECTIONAL FACILITY," passed Second Reading and was referred to the Committee on Finance.

## SUSPENSION OF RULES

On motion by Representative Amaral, 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. 3166, HD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3166, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EXPORTED SERVICES," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Pepper voting no, and Representatives McMurdo, Menor and Meyer being excused.

### H.B. No. 3337, HD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3337, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE NONPRESENTMENT OF WARRANTS AND CHECKS," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Menor and Meyer being excused.

### H.B. No. 3340, HD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3340, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE POWERS AND DUTIES OF THE COMPTROLLER,"

passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Menor and Meyer being excused.

**H.B. No. 3369, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3369, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Menor and Meyer being excused.

**H.B. No. 3382, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3382, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FINANCES," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Menor and Meyer being excused.

**H.B. No. 3437, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3437, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE BUDGET," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Menor and Meyer being excused.

**H.B. No. 3551, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3551, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAXATION," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Menor and Meyer being excused.

**H.B. No. 3563, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3563, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FEES IMPOSED BY THE DEPARTMENT OF TAXATION," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Menor and Meyer being excused.

**H.B. No. 3565, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3565, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BULK TRANSFERS," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Menor and Meyer being excused.

**H.B. No. 3817, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3817, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DEPARTMENT OF TAXATION PUBLICATIONS," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Menor and Meyer being excused.

**H.B. No. 4022, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 4022, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DEPOSITS OF PUBLIC FUNDS," passed Third Reading

by a vote of 48 ayes, with Representatives McMurdo, Menor and Meyer being excused.

**H.B. No. 3342, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3342, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REVENUE MAXIMIZATION," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Menor and Meyer being excused.

**H.B. No. 3554, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3554, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AUTOMATED TAX SYSTEMS ACQUISITION BY THE DEPARTMENT OF TAXATION," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Menor and Meyer being excused.

**H.B. No. 1042:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 1042, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Menor and Meyer being excused.

The Chair directed the Clerk to note that H.B. Nos. 3166, 3337, 3340, 3369, 3382, 3437, 3551, 3563, 3565, 3817, 4022, 3342, 3554 and 1042 had passed Third Reading at 12:51 o'clock p.m.

**ANNOUNCEMENTS**

Representative Tom rose and requested waiver of the 48-hour hearing notice requirement to hear H.B. Nos. 2745, 4131 and 3919; and to reconsider decision on H.B. No. 3564, tomorrow, Friday, February 16, 1996, at 1:00 p.m., and the Chair "so ordered."

Representative Yonamine rose and requested waiver of the 48-hour hearing notice requirement for a public hearing on S.B. No. 1810, SD 1, tomorrow, Friday, February 16, 1996, at 8:30 a.m. in Conference Room 309, and the Chair "so ordered."

Representative Pepper: "Your Committee on Health will resume deliberations at 1:30 p.m. in Room 309 on today's agenda."

Representative Arakaki then rose and stated:

"I guess all of us realize the importance of quality, accessible and affordable child care, so on behalf of all the members here, I want to thank the Coalition for the leis and the cookies, and for the message about the importance of child care.

"I also want to announce that we have 13 women from Okinawa who are visiting us. They are called the Okinawan Women Act Against Violence, and they are part of the American Peace Caravan. They are here in Hawaii today and this evening as part of the Port City/U.S. Tour, and the caravan will be part of a candlelight vigil here at the State Capitol Rotunda which will be followed by a forum to discuss issues relating to U.S. military presence in Okinawa, and their campaign against resistance to reduce the military presence.

"I want to invite all the members, especially women members, to join us at the candlelight vigil and at the forum this evening."

At 12:55 o'clock p.m., Representative Okamura asked for a recess and the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 12:57 o'clock p.m., Representative Yonamine rose and requested waiver of the 48-hour hearing notice requirement to hear H.B. No. 3482, and for reconsideration of action on H.B. No. 3477, and the Chair "so ordered."

#### **ADJOURNMENT**

At 12:58 o'clock p.m., on motion by Representative Amaral, seconded by Representative Thielen and carried, the House of Representatives adjourned until 12:00 o'clock noon tomorrow, Friday, February 16, 1996.

## TWENTY-FIRST DAY

Friday, February 16, 1996

The House of Representatives of the Eighteenth Legislature of the State of Hawaii, Regular Session of 1996, convened at 12:14 o'clock p.m., with the Speaker presiding.

The invocation was delivered by The Reverend Ron Williams of the Ohana Christian Fellowship, after which the Roll was called showing all members present with the exception of Representative Menor, who was excused.

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

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

## SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 9 to 11) were read by the Clerk and were placed on file:

Sen. Com. No. 9, transmitting Senate Bill No. 2304, SD 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL ASSISTANCE," which passed Third Reading in the Senate on February 15, 1996.

Sen. Com. No. 10, transmitting Senate Bill No. 2325, entitled: "A BILL FOR AN ACT RELATING TO AMMUNITION," which passed Third Reading in the Senate on February 15, 1996.

Sen. Com. No. 11, transmitting Senate Bill No. 2714, entitled: "A BILL FOR AN ACT RELATING TO CERTIFICATION OF CHILD PLACING ORGANIZATIONS, CHILD CARING INSTITUTIONS, AND FOSTER BOARDING HOMES," which passed Third Reading in the Senate on February 15, 1996.

On motion by Representative Amaral, seconded by Representative Thielen and carried, S.B. Nos. 2304, SD 1; 2325; and 2714 passed First Reading by title and further action was deferred.

At this time, Representative Amaral introduced to the members of the House Ms. Shirley Kala Holden, "a friend, a constituent, and a member of our Ahahui Siwila Hawaii O Kapolei."

## ORDER OF THE DAY

## COMMITTEE REASSIGNMENTS

The following House bills were re-referred as follows:

<u>H.B. Nos.</u>	<u>Re-referred to:</u>
3800	Committee on Finance
4031	Committee on Hawaiian Affairs and Housing, then to the Committee on Water and Land Use Planning

INTRODUCTION OF RESOLUTION  
(FLOOR PRESENTATION)

H.R. No. 48, entitled: "HOUSE RESOLUTION HONORING THE EMPLOYEES OF THE HAWAII STATE LIBRARY, HEAD LIBRARIAN BARTHOLOMEW A. KANE AND HIS REENGINEERING TEAM, AND THE STAFF OF THE KAILUA LIBRARY FOR THEIR EFFORTS IN THE LIBRARY SYSTEM'S REENGINEERING PROCESS," was jointly offered by Representatives Thielen, Nekoba and Anderson, and was read by the Clerk.

Representative Thielen moved that H.R. No. 48 be adopted, seconded by Representative Anderson.

Representative Thielen proceeded to introduce the honorees, stating:

"Mr. Speaker, today we are honoring Kailua Public Library and the Hawaii State Library System. The system is known nationwide for its outstanding and far-reaching public service. It is the only statewide public library system. And only in Hawaii can you, a patron, check out a book from any public library and return it to any other public library ... a book checked out downtown can be returned to a library on Maui, for example, at no charge to the borrower. The library system is only one of a few that is fully state funded, which means that the quality of each library won't vary from county to county as it does in many other states.

"Those distinctions aside, Mr. Speaker, we have even more reason to congratulate the Hawaii State Library System. Under the directorship of Head Librarian Mr. Bart Kane, the library has nearly completed a massive overhaul of its system to streamline backroom processes, and flatten the hierarchy of decision-making by redefining most middle management positions so that more librarians can be 'on the floor' helping 'customers.'

"You'll notice those terms I'm using are business terms -- library 'customers,' not 'patrons.' That's the terminology being used by the reengineering team, and it's illustrative of the changes that they are making.

"Mr. Speaker, the library has made great headway in changing the structure of its operations to increase efficiency despite losing a major portion of its budget.

"The Kailua Public Library has been a pioneer in the changes. It is one of the first two libraries to become a Self Directed Work Team. That means that the Library answered to itself, not a regional director. The Kailua Library changed its own hierarchical structure so that every employee has an equal voice in the decision-making process, and shares in the work without being limited by job descriptions.

"Mr. Speaker, I would like to introduce to you and to the members of the House the members of the Kailua Library, and we will start with Mr. Bart Kane, and if you will stand, Mr. Kane."

Mr. Bart Kane then rose to be recognized.

"Mr. Kane has been Head Librarian for fourteen years, and that means more than two-thirds of the people working in the library system have known him as their Head Librarian. He began the process of reengineering before the State budget cuts, but sped the process along considerably in order to avoid more massive employee layoffs. If we could all welcome Mr. Kane.

"Next, we have Kailua's Branch Manager, Mrs. Sandra Akana."

Mrs. Sandra Akana then rose to be recognized.

"She has been instrumental in putting Kailua Library on the path of self-direction. She was Director of the library for ten years, making most of the decisions herself. She is now sharing the responsibility, and letting others play a more active role. I'd like to welcome Sandy Akana.

"Sandy mentioned, by the way, that this is the first time that the Kailua Public Library has been honored in the Legislature, and I am just delighted that we were able to do this today. They deserve the award.

"One of her former employees, Mr. Thomas Berningham (Mr. Berningham rose to be recognized), was the janitor at the Kailua Library until the staff nominated him for Mr. Kane's Reengineering Team. He's a great example of how these changes have allowed each employee to develop to his or her full potential, and move up rather easily rather than being tied to a job description. If you will honor him, please.

"Patti Meerians is Kailua Library's children's librarian. She was also part of Mr. Kane's Reengineering Team, but went back to Kailua when budget cuts forced the paring down of the team. I'd like to mention that she's been a great help in establishing the Birthday Book program at Kailua Library. Whenever people have a child, a spouse, a friend or whomever, who is having a birthday, it's sort of a habit in Kailua, and I hope it grows, to donate a book to the children's section of the library in Kailua. And they have the little name plates that go into the book. If we could please recognize Patti and thank her for being here.

"Lisa Elson-Young is the newest member of Kailua Library's Self-Directed Work Team, and I am very glad that she was able to join us."

Lisa Elson-Young then rose to be recognized.

Representative Thielen then asked Mr. John Penebecker, who was seated in the gallery, to stand to be recognized.

Representative Thielen continued:

"As the Governor mentioned in his State of the State address, Mr. Speaker, and you'll probably remember this -- the Kailua Library has been so successful in implementing the Self-Directed Work Team process that it has increased circulation from a thousand to two thousand books per day. The reengineering process, as a whole, has utilized new technologies to increase by more than seven times the newspapers and magazines available to the public by computer. The Hawaii State Library System has made all this progress despite more than a twenty percent cut in its budget.

"Mr. Speaker, in short, the Hawaii State Library is making long-term, far-reaching structural changes. Rather than laying off workers and limiting services to the public, hoping that more money comes later, the library is restructuring to be more effective on less money. That's an example, Mr. Speaker, how all branches of government should operate.

"Thank you."

Representative Nekoba then rose and stated:

"As a proud member of the Friends of Kailua Library -- which reminds me I have to renew my membership -- I'd like to take this time to congratulate Mr. Kane, Sandy

and Patti for the wonderful job that you've been doing. You have been so supportive, and the Kailua Library has never been better and has never seemed more like a family as it does now.

"So I do congratulate you very much, and I'll see you at the next Reading Day we have in the children's section.

"Thank you, Mr. Speaker."

Representative Anderson then rose and stated:

"I just want to offer my congratulations and thank you for a job well done. Needless to say, I think we were all most dismayed as we watched our libraries close certain days, shorter hours, and this is one place that our youngsters can spend many wonderful hours traveling through all sorts of places and books, and experiencing magical moments. Well, now we know this success story that all of our libraries are going to be open and welcoming the young and the old.

"I've spent many wonderful hours at the library and I will continue to do so, and I thank you very much for your good work.

"Thank you."

Representative Ward then rose and stated:

"One of the hallmarks of America is to do things quicker, faster, better, cheaper, and if there is any example of having done that, it's the library system.

"I want to commend the entrepreneurial spirit of Bart and his group and the Hawaii Library System that I think goes ahead in forging a model for what we can do in government.

"Lastly, Mr. Speaker, on a personal footnote, my wife reads three borrowed books per week and without this system, I would probably be broke.

"Thank you."

Representative Pepper then rose and stated:

"Mr. Kane and Mr. Pennebecker know that I have been a critic of some of the things in the library system in the past, but I am very happy to stand today and acknowledge that in this financial crisis, they have done a splendid job.

"Thank you."

The motion was put by the Chair and carried, and H.R. No. 48 was adopted.

At this time, Certificates of Recognition were presented to Mr. Kane and Mrs. Sandy Akana by Representatives Thielen and Anderson, and orchid leis were presented to the honorees by Representatives Amaral, Nekoba, Takai and Stegmaier.

At 12:32 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 12:55 o'clock p.m., Representative Amaral was permitted a late introduction and she introduced Jackie Pung, golf pro at Waikoloa Golf Course in Hawaii, and "one of Hawaii's most famous women golfers of national and international renown."

**STANDING COMMITTEE REPORTS**

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 366-96) recommending that H.B. No. 4143 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4143, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HURRICANE RELIEF FUND," passed Second Reading and was referred to the Committee on Finance.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 367-96) recommending that H.B. No. 3101, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3101, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," passed Second Reading and was referred to the Committee on Finance.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 368-96) recommending that H.B. No. 2355, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2355, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HURRICANE RELIEF FUND," passed Second Reading and was referred to the Committee on Finance.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 369-96) recommending that H.B. No. 2594, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2594, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BUILDING STANDARDS," passed Second Reading and was referred to the Committee on Finance.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 370-96) recommending that H.B. No. 3506 be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3506, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE DRIVER LICENSING," was referred to the Committee on Judiciary.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 371-96) recommending that H.B. No. 2689, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the

Committee was adopted and H.B. No. 2689, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE TRANSIENT OCCUPANCY TAX," was referred to the Committee on Finance.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 372-96) recommending that H.B. No. 2882, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2882, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONVENTION CENTER," was referred to the Committee on Finance.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 373-96) recommending that H.B. No. 3180, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3180, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE FOR MENTAL ILLNESS AND SUBSTANCE ABUSE," was referred to the Committee on Finance.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 374-96) recommending that H.B. No. 3429, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3429, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNCLAIMED PROPERTY," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 375-96) recommending that H.B. No. 3244 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3244, entitled: "A BILL FOR AN ACT RELATING TO THE PENAL CODE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 376-96) recommending that H.B. No. 3596 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3596, entitled: "A BILL FOR AN ACT RELATING TO THE DISPOSITION OF AN ELECTION TIE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 377-96) recommending that H.B. No. 3631 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the



Committee was adopted and H.B. No. 3631, entitled: "A BILL FOR AN ACT RELATING TO THE SUMMONING OF JURORS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 378-96) recommending that H.B. No. 3243, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3243, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Thielen.

Representative Thielen rose to speak against the bill, stating:

"This is 'A Bill for an Act Relating to Dogs,' and I would ask all of you to pull the bill out of the stack; it's Standing Committee Report 378-96.

"The bill could really, more appropriately, be titled, 'Encouraging Vigilante Acts.'

"I am very concerned, Mr. Speaker, because what this bill does is, it will allow in any county having a population of less than 500,000, which means it will allow on all the neighbor islands, an owner of property -- agricultural property -- to shoot a dog that comes upon that property where the dog is causing imminent danger to commercial livestock or domesticated animal. In other words, it encourages landowners to take the law into their own hands and shoot an animal.

"Sometimes, Mr. Speaker, as we know, neighbors, even in agricultural areas, which can be people owning a smaller acreage as two acres on Maui, those neighbors could maybe be into neighborly disputes over a barking dog. The barking dog can be a very big annoyance to one neighbor; the other neighbor who owns the dog can dearly love that dog and not want to have it harmed. If that dog happens to get loose, runs on to the adjacent property and maybe looks as if it is going to gobble up a chicken, that owner of the adjacent property can pull out a gun and blast the dog away.

"I think that's very poor policy for this body to set forth -- the killing of another animal. There are other orderly processes that are available and that is within the court system. I think it is wrong to encourage someone to arm himself or herself to kill a dog.

"Thank you."

Representative Santiago then rose and stated:

"Mr. Speaker, I would just like to also have my reservations on this bill noted.

"For me, I own rottweilers, and I trained dogs for many years, and I teach people how to train dogs.

"I think it's important for us, when we set policy, to make sure that we hold responsible the responsible party. And in that light, I would like to point out the way the bill reads is somewhat interesting regarding the penalty. It does state that 'the owner of the dog shall be liable in damages to the person injured for the value of the property so injured or destroyed.' If, in fact, we're talking about having the owner destroyed, that may allay some of my fears, but I don't think that's what we're talking about.

"So, Mr. Speaker, I would just like to make my reservations known. I'd like for us to make sure that we hold responsible the individuals who are becoming dog owners and we focus on that.

"Thank you."

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

"I think it would be well advised for the Oahu members of this House to travel to the neighbor islands so they can get a little better perspective on what this bill's purpose is.

"We have a leash law, as you all know, but we have probably not more than 20 percent of the people in the State following the leash law. This creates substantial problems in agricultural areas where we have livestock everywhere, and livestock is very, very valuable and important to people that own it, many times making up the entirety of their livelihood.

What this bill does is, it simply provides legality to something that is already happening. We have many areas where there are packs of wild dogs that come down out of the forest or out of gullies and will destroy large numbers of livestock at any given time.

"Under current law, if you shoot a dog, you can be charged with cruelty to animals as has happened to one of my constituents on Molokai. He shot a dog that had his goat in its mouth and was charged with cruelty to animals and had his rifle taken away from him.

"I'll share with you a personal story. My wife and I, last year right about this time, had a goat and a lamb. They followed her everywhere she went, and her name is not Mary. However, she was in the process of putting together a petting farm for children. The morning that she had the State veterinarian coming up to check out our property for safety purposes, she and the vet arrived just in time to see three dogs in the process of killing the lamb and the goat. The goat had punctures in its throat and died in my wife's arms in about a half hour. The lamb died two days later.

"This is a very real problem. These are three dogs from right across the fence. Those same dogs had earlier destroyed two rabbits of ours. One of the dogs, just a week before last, came across our fence and was chasing two miniature donkeys that my wife had brought in for her pet farm. So while I'm working on one side, the dog comes up and is chasing these little donkeys; my kids are screaming bloody murder; my wife is yelling for me to come and protect these animals; the owner is on the other side of the fence trying to call her dog.

"The bottom line is, she let the dog go and if we had not been there, we could have lost two more animals. With that loss, we are faced with a situation where we have to go to make a police report, but before anything can happen to that dog, we have to go through the judicial process. If that dog gets loose again, it could come after the calf that we have, it could come after the lamb or the goat that we have in addition to this.

"While it may seem like kind of a crazy rule, what this does is simply place a bit of fairness in the fact that if you're not going to control your animal like I control mine, and yours come unto my property, then the life of your animal is not worth anything more than the life of mine.

"Thank you, Mr. Speaker."

Representative Herkes then rose and stated:

"I don't want to belabor this but I do speak in support of the bill.

"It's a very serious problem on the neighbor islands as referenced by the previous speaker. There is no orderly process when a dog or a pack of wild dogs is threatening your livestock, your pets, or even your children. You can't stand there with the HRS in hand, saying, 'I'll see you in court if you don't stop.' Action has to be taken immediately to protect your own personal property and the safety of your family.

"Thank you."

Representative Thielen then rose and stated:

"Mr. Speaker, I would just like to direct the members to the language in the proposed law. It says 'any dog' and it talks about the owner of that 'any dog.' We're not talking wild dogs here. If we're talking wild dogs, we're not going to talk owners. If we're talking wild dogs, then the bill should be revised to say that ... any wild dog, while on agricultural property, can be lawfully destroyed.

"What we're saying here is, if someone doesn't like the North Shore rottweilers and purposely wants to get rid of those, it is very easy for someone to set that up. Then you have a private individual pulling a gun, shooting a dog. You have the owner of the dog who may be armed also taking a look at her/his dead dog and saying, well, two can play that game. And it just escalates. It's vigilantism.

"If we're talking wild dogs, let's deal with it. If we're talking of the problem that the Maui Representative has, he can go file a criminal complaint and he can file a civil action. The courts exist to enforce the law, and that is a much better way than summary judgment with a gun neighbor to neighbor.

"Thank you."

Representative Herkes then rose and remarked:

"Are you supposed to say to this dog, he or she -- where's your owner, and are you wild or not?

"Thank you."

Representative White then rose and remarked:

"I'd just like to point out that since it's the Oahu members that seem to have a little bit of difficulty understanding the value of this bill, that we provided in the bill that this doesn't apply to Oahu, so we are applying this bill only to those areas in the State within which we have more rational-thinking people.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3243, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DOGS," passed Second Reading as amended in HD 1, and was placed on the calendar for Third Reading with Representative Thielen voting no.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 379-96) recommending that H.B. No. 3645, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3645, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTION OF FINES AND COSTS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Cachola, for the Committee on Tourism, presented a report (Stand. Com. Rep. No. 380-96) recommending that H.B. No. 3990, as amended in HD 1, pass Second Reading and be referred to the Committees on Intergovernmental Relations and International Affairs and Transportation.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3990, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII CONVENTION CENTER," passed Second Reading and was referred to the Committees on Intergovernmental Relations and International Affairs and Transportation.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 381-96) recommending that H.B. No. 3769, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3769, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PERSONS DISPOSSESSED OR DISPLACED BY VOLCANIC ERUPTIONS," was referred to the Committee on Finance.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 382-96) recommending that H.B. No. 4010, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4010, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," was referred to the Committee on Finance.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 383-96) recommending that H.B. No. 1741, as amended in HD 1, pass Second Reading and be referred to the Committee on Higher Education and the Arts.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1741, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AVIATION ARTIFACTS," passed Second Reading and was referred to the Committee on Higher Education and the Arts.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 384-96) recommending that H.B. No. 3169, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3169, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATEWIDE TRAIL AND ACCESS PROGRAM," passed

Second Reading and was referred to the Committee on Finance.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 385-96) recommending that H.B. No. 3293, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3293, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Second Reading and was referred to the Committee on Finance.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 386-96) recommending that H.B. No. 3522, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3522, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 387-96) recommending that H.B. No. 2710, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2710, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES' HEALTH FUND," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 388-96) recommending that H.B. No. 3470, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3470, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EXAMINATION CONSULTANTS," passed Second Reading and was referred to the Committee on Judiciary.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 389-96) recommending that H.B. No. 3520 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3520, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR UNEMPLOYMENT BENEFITS TO FORMER STATE EMPLOYEES," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 390-96) recommending that H.B. No. 3619 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3619, entitled: "A BILL FOR AN ACT RELATING TO APPROPRIATIONS AND CONTRACTS," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 391-96) recommending that H.B. No. 3153, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3153, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 392-96) recommending that H.B. No. 3362, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3362, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DISTRICTS," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 393-96) recommending that H.B. No. 3366, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3366, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM UNCLAIMED PROPERTY ACT," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 394-96) recommending that H.B. No. 3820, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3820, HD 1, entitled: "A BILL FOR AN ACT RELATING TO A SYMPOSIUM ON CRIME IN HAWAII," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 395-96) recommending that H.B. No. 3582 be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3582, entitled: "A BILL FOR AN ACT RELATING TO LAW ENFORCEMENT BY THE DEPARTMENT OF TRANSPORTATION," was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 396-96)

recommending that H.B. No. 3534, HD 1 be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3534, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENFORCEMENT," was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 397-96) recommending that H.B. No. 2636, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2636, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 398-96) recommending that H.B. No. 2658, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2658, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DRIVER'S LICENSES," was referred to the Committee on Finance.

Representatives Tom and Menor, for the Committees on Judiciary and Consumer Protection and Commerce, presented a joint report (Stand. Com. Rep. No. 399-96) recommending that H.B. No. 3648, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Amaral moved that the joint report of the Committees be adopted and H.B. No. 3648, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Thielen.

Representative Kawanakoa rose to ask the Clerk to register a no vote for him, and the Chair "so ordered."

Representative Kawanakoa continued, saying:

"I just need to again register my concerns about this body turning to the private sector, to our constituents, to the taxpayers, to look for new funds. Again, this will increase by 50 cents the cost of insuring every car in the islands.

"With that, I know I seem to be standing up often in opposition to taxes, and perhaps in the future, I will be able to add together all the nickels and dimes and come back with the total grand-final summation of the dollars that we are asking our taxpayers to help further fund our government.

"With that, I need to register a no vote.

"Thank you."

At this time, Representative Ward rose and said:

"Mr. Speaker, I indulge the Speaker for a no vote on page 6, Stand. Com. Rep. No. 390-96."

The Chair answered:

"We are on page 7 and right now we are on House Bill No. 3648, HD 1."

Representative Ward continued:

"Which is why I am asking for the indulgence, Mr. Speaker."

At 1:10 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 1:11 o'clock p.m., the motion was put by the Chair and carried, and the joint report of the Committees was adopted and H.B. No. 3648, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVER EDUCATION AND TRAINING FUND," passed Second Reading and was referred to the Committee on Finance, with Representatives Kawanakoa, Marumoto, Meyer and Thielen voting no.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 400-96) recommending that H.B. No. 3787 pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3787, entitled: "A BILL FOR AN ACT RELATING TO HEALTH REGULATIONS," passed Second Reading and was referred to the Committee on Consumer Protection and Commerce.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 401-96) recommending that H.B. No. 2627, as amended in HD 1, pass Second Reading and be referred to the Committees on Judiciary and Consumer Protection and Commerce.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2627, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," passed Second Reading and was referred to the Committees on Judiciary and Consumer Protection and Commerce.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 402-96) recommending that H.B. No. 3063, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3063, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was referred to the Committee on Consumer Protection and Commerce.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 403-96) recommending that H.B. No. 3181, as amended in HD 1, pass Second Reading and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3181, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICINE," passed Second Reading and was referred to the Committees on Consumer Protection and Commerce and Judiciary.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 404-96) recommending that H.B. No. 3879, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3879, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE DATA," passed Second Reading and was referred to the Committee on Judiciary.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 405-96) recommending that H.B. No. 2971, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 2971, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Thielen.

Representative Chun Oakland rose and requested the Clerk to register a no vote for her, and the Chair "so ordered."

Representative Saiki then rose and requested the Clerk to register a no vote for him, and the Chair "so ordered."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2971, HD 1, entitled: "A BILL FOR AN ACT RELATING TO YOUTHFUL OFFENDERS," passed Second Reading and was placed on the calendar for Third Reading with Representatives Chun Oakland and Saiki voting no.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 406-96) recommending that H.B. No. 3633 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3633, entitled: "A BILL FOR AN ACT RELATING TO THE SECOND CIRCUIT JUDGE FOR THE CIRCUIT COURT OF THE FIFTH CIRCUIT," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 407-96) recommending that H.B. No. 3556, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3556, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE TAX LIABILITY OF CONTRACTORS CONTRACTING WITH THE STATE OR COUNTIES," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 408-96) recommending that H.B. No. 3777, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3777, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A SPECIAL JUVENILE

PROSECUTION UNIT FOR KAUAI COUNTY," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 409-96) recommending that H.B. No. 2729, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2729, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FORFEITURE," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 410-96) recommending that H.B. No. 3773 be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3773, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN SOVEREIGNTY ELECTIONS COUNCIL," was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 411-96) recommending that H.B. No. 3334, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3334, HD 2, be referred to the Committee on Finance, seconded by Representative Thielen.

Representative Kawanakoa rose to speak against the bill, stating:

"On the last bill I voted no, there was a 50 cent increase for every car. In this particular instance, we are adding a \$45 registration fee for every pesticide in the islands. That includes the Raid, or the COMBAT roach killer, it includes the flea detergent you use on your dogs. It basically covers anything and everything that comes into the State of Hawaii that has any quantity, no matter how small some sort of registered pesticide.

"Again, another fee, another extracting of moneys from our economy in order to fund our growing government.

"Thank you, Mr. Speaker."

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

"Mr. Speaker, in hearing this bill, the industry that is involved in this is fully supportive of this fee. And part of the reason will be that they will be receiving educational funds which will allow them to be better at the job that they do.

"In that sense, it might be considered by the Minority as another fee, but in reality, this is something that the industry desires and requests so that they will have a better and stronger industry that will serve the consumers of the State of Hawaii.

"Thank you very much."

Representative Kawanakoa, in response, stated:

"I feel compelled to note that while the industry did add testimony to the fact that they would be more in support of this bill as amended, as to the prior bill as originally drafted.

"I believe that was with regard to the fact that originally, it was \$75, and House Draft 1 now says \$50, so I think at that point certainly the industry is more in accord with the lesser fee.

"With regard to whether they are fully supportive of this fee, I seriously question that matter.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3334, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PESTICIDES," was referred to the Committee on Finance, with Representative Kawanakoa voting no.

Representative Arakaki, for the Committee on Hawaiian Affairs and Housing, presented a report (Stand. Com. Rep. No. 412-96) recommending that H.B. No. 3380 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3380, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAMS," passed Second Reading and was referred to the Committee on Finance.

Representative Arakaki, for the Committee on Hawaiian Affairs and Housing, presented a report (Stand. Com. Rep. No. 413-96) recommending that H.B. No. 3415 pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3415, entitled: "A BILL FOR AN ACT RELATING TO HOMELESS FACILITIES," passed Second Reading and was referred to the Committee on Consumer Protection and Commerce.

Representative Arakaki, for the Committee on Hawaiian Affairs and Housing, presented a report (Stand. Com. Rep. No. 414-96) recommending that H.B. No. 3457 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3457, entitled: "A BILL FOR AN ACT RELATING TO STATE RENT SUPPLEMENTS," passed Second Reading and was referred to the Committee on Finance.

Representative Arakaki, for the Committee on Hawaiian Affairs and Housing, presented a report (Stand. Com. Rep. No. 415-96) recommending that H.B. No. 4105 pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4105, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS," passed Second Reading and was referred to the Committee on Judiciary.

Representative Arakaki, for the Committee on Hawaiian Affairs and Housing, presented a report (Stand. Com. Rep. No. 416-96) recommending that H.B. No. 3160, as

amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3160, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HO'OPONOPONO," passed Second Reading and was referred to the Committee on Judiciary.

Representative Arakaki, for the Committee on Hawaiian Affairs and Housing, presented a report (Stand. Com. Rep. No. 417-96) recommending that H.B. No. 4114, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4114, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Second Reading and was referred to the Committee on Finance.

Representative Arakaki, for the Committee on Hawaiian Affairs and Housing, presented a report (Stand. Com. Rep. No. 418-96) recommending that H.B. No. 3283, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3283, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN SOVEREIGNTY," passed Second Reading and was referred to the Committee on Judiciary.

Representative Arakaki, for the Committee on Hawaiian Affairs and Housing, presented a report (Stand. Com. Rep. No. 419-96) recommending that H.B. No. 3601, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3601, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ABANDONED PROPERTY," passed Second Reading and was referred to the Committee on Judiciary.

Representative Takumi, for the Committee on Intergovernmental Relations and International Affairs, presented a report (Stand. Com. Rep. No. 420-96) recommending that H.B. No. 3602 be referred to the Committee on Water and Land Use Planning.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3602, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," was referred to the Committee on Water and Land Use Planning.

Representative Takumi, for the Committee on Intergovernmental Relations and International Affairs, presented a report (Stand. Com. Rep. No. 421-96) recommending that H.B. No. 2409 pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2409, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR," passed Second Reading and was referred to the Committee on Consumer Protection and Commerce.



Representative Takumi, for the Committee on Intergovernmental Relations and International Affairs, presented a report (Stand. Com. Rep. No. 422-96) recommending that H.B. No. 2972 pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2972, entitled: "A BILL FOR AN ACT RELATING TO COUNTY CIVIL FINES," passed Second Reading and was referred to the Committee on Judiciary.

Representative Takumi, for the Committee on Intergovernmental Relations and International Affairs, presented a report (Stand. Com. Rep. No. 423-96) recommending that H.B. No. 3211 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3211, entitled: "A BILL FOR AN ACT RELATING TO IMPACT FEES," passed Second Reading and was referred to the Committee on Finance.

Representative Takumi, for the Committee on Intergovernmental Relations and International Affairs, presented a report (Stand. Com. Rep. No. 424-96) recommending that H.B. No. 3667 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3667, entitled: "A BILL FOR AN ACT RELATING TO SUBPOENAS," passed Second Reading and was referred to the Committee on Finance.

Representative Takumi, for the Committee on Intergovernmental Relations and International Affairs, presented a report (Stand. Com. Rep. No. 425-96) recommending that H.B. No. 3182, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3182, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONCESSIONS ON PUBLIC PROPERTY," passed Second Reading and was referred to the Committee on Finance.

Representative Takumi, for the Committee on Intergovernmental Relations and International Affairs, presented a report (Stand. Com. Rep. No. 426-96) recommending that H.B. No. 4085, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4085, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR," passed Second Reading and was referred to the Committee on Consumer Protection and Commerce.

Representatives Menor and Takumi, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 427-96) recommending that H.B. No. 3819, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3819, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM LIMITED LIABILITY COMPANY ACT," passed Second Reading and was referred to the Committee on Finance.

### SUSPENSION OF RULES

On motion by Representative Amaral, 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. 3552, HD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3552, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAXATION," passed Third Reading by a vote of 50 ayes, with Representative Menor being excused.

#### H.B. No. 2407:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2407, entitled: "A BILL FOR AN ACT RELATING TO STATUTORY REVISION: AMENDING, REENACTING, OR REPEALING VARIOUS PROVISIONS OF THE HAWAII REVISED STATUTES AND THE SESSION LAWS OF HAWAII FOR THE PURPOSE OF CORRECTING ERRORS AND REFERENCES, CLARIFYING LANGUAGE, AND DELETING OR REPEALING OBSOLETE OR UNNECESSARY PROVISIONS," passed Third Reading by a vote of 50 ayes, with Representative Menor being excused.

#### H.B. No. 2517:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2517, entitled: "A BILL FOR AN ACT RELATING TO THE PROMOTION OF PROSTITUTION," passed Third Reading by a vote of 50 ayes, with Representative Menor being excused.

#### H.B. No. 3636:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3636, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," passed Third Reading by a vote of 50 ayes, with Representative Menor being excused.

#### H.B. No. 3822:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3822, entitled: "A BILL FOR AN ACT RELATING TO THE STATEWIDE TRAFFIC CODE," passed Third Reading by a vote of 50 ayes, with Representative Menor being excused.

The Chair directed the Clerk to note that H.B. Nos. 3552, 2407, 2517, 3636 and 3822 had passed Third Reading at 1:16 o'clock p.m.

### INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolution (H.R. No. 47) and concurrent resolution (H.C.R. No. 38) were offered and were referred to committee:

H.R. No. 47, entitled: "HOUSE RESOLUTION REQUESTING THE CREATION OF A TASK FORCE TO IDENTIFY AND DELINEATE AUTHORITY AND RESPONSIBILITY FOR THE INSPECTION, TESTING, MAINTENANCE, AND REPAIR OF ALL FIRE HYDRANTS LOCATED ON PUBLIC AND PRIVATE PROPERTY," was jointly offered by Representatives McMurdo, Thielen, Case, Menor, Nekoba and Tom.

Referred to: Committee on Public Safety and Military Affairs, then to the Committee on Intergovernmental Relations and International Affairs.

H.C.R. No. 38, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE CREATION OF A TASK FORCE TO IDENTIFY AND DELINEATE AUTHORITY AND RESPONSIBILITY FOR THE INSPECTION, TESTING, MAINTENANCE, AND REPAIR OF ALL FIRE HYDRANTS LOCATED ON PUBLIC AND PRIVATE PROPERTY," was jointly offered by Representatives McMurdo, Thielen, Case, Menor, Nekoba and Tom.

Referred to: Committee on Public Safety and Military Affairs, then to the Committee on Intergovernmental Relations and International Affairs.

### ANNOUNCEMENTS

Representative Yonamine rose and requested waiver of the 48-hour hearing notice requirement for the Committees on Labor and Public Employment, Judiciary and Consumer Protection and Commerce to reconsider prior decision-making on H.B. No. 3935 today at 3:00 p.m. in Room 325, and the Chair "so ordered."

Representative White then rose and requested waiver of the 48-hour hearing notice requirement to conduct a public hearing with decision-making to follow on H.B. No. 3055 at 1:00 p.m. this afternoon, and the Chair "so ordered."

At 1:18 o'clock p.m., the House of Representatives stood in recess until 8:30 o'clock p.m. tonight.

### NIGHT SESSION

The House of Representatives reconvened at 8:38 o'clock p.m.

### STANDING COMMITTEE REPORTS

Representative Morihara, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 428-96) recommending that H.B. No. 3307 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3307, entitled: "A BILL FOR AN ACT RELATING TO MILK CONTROL,"

passed Second Reading and was referred to the Committee on Finance.

Representative Morihara, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 429-96) recommending that H.B. No. 3332 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3332, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading and was referred to the Committee on Finance.

Representative Morihara, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 430-96) recommending that H.B. No. 3336 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3336, entitled: "A BILL FOR AN ACT RELATING TO HONEY BEE EXPORT SHIPMENTS," passed Second Reading and was referred to the Committee on Finance.

Representative Morihara, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 431-96) recommending that H.B. No. 2811, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2811, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PESTICIDES," passed Second Reading and was referred to the Committee on Finance.

Representative Morihara, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 432-96) recommending that H.B. No. 3335, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3335, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PLANT AND NON-DOMESTIC ANIMAL QUARANTINE," passed Second Reading and was referred to the Committee on Finance.

Representative Morihara, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 433-96) recommending that H.B. No. 3884, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3884, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAPITAL IMPROVEMENTS PERTAINING TO AGRICULTURE," passed Second Reading and was referred to the Committee on Finance.

Representative Morihara, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 434-96) recommending that H.B. No. 4008, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the

Committee was adopted and H.B. No. 4008, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LOANS," passed Second Reading and was referred to the Committee on Finance.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 435-96) recommending that H.B. No. 3204, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3204, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INVESTMENT OF STATE AGENCY FUNDS," was referred to the Committee on Finance.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 436-96) recommending that H.B. No. 3523, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3523, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Second Reading and was referred to the Committee on Finance.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 437-96) recommending that H.B. No. 3763, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3763, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE WATER CODE," passed Second Reading and was referred to the Committee on Judiciary.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 438-96) recommending that H.B. No. 3766, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3766, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENTAL ASSISTANCE," passed Second Reading and was referred to the Committee on Finance.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 439-96) recommending that H.B. No. 3826, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3826, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HUNTING," passed Second Reading and was referred to the Committee on Judiciary.

Representatives Takamine and Santiago, for the Committees on Water and Land Use Planning and Ocean Recreation and Marine Resources, presented a joint report (Stand. Com. Rep. No. 440-96) recommending that H.B. No. 2505, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 2505, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PROPERTIES," passed Second Reading and was referred to the Committee on Finance.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 441-96) recommending that H.B. No. 2549, HD 1, be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2549, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE PLANNING COUNCIL ON DEVELOPMENTAL DISABILITIES," was referred to the Committee on Finance.

Representative Chun Oakland, for the Committee on Human Services, presented a report (Stand. Com. Rep. No. 442-96) recommending that H.B. No. 3462, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3462, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL ASSISTANCE," passed Second Reading and was referred to the Committee on Finance.

Representative Arakaki, for the Committee on Hawaiian Affairs and Housing, presented a report (Stand. Com. Rep. No. 443-96) recommending that H.B. No. 3161, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3161, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL NEEDS HOUSING," passed Second Reading and was referred to the Committee on Finance.

Representative Morihara, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 444-96) recommending that H.B. No. 3331 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3331, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Morihara, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 445-96) recommending that H.B. No. 3306, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3306, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading and was referred to the Committee on Finance.

Representative Morihara, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 446-96) recommending that H.B. No. 3756, as amended

in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3756, HD 1, entitled: "A BILL FOR AN ACT RELATING TO QUARANTINE," passed Second Reading and was referred to the Committee on Finance.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 447-96) recommending that H.B. No. 3492, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3492, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ESTABLISHMENT OF THE HAWAII HEALTH SYSTEMS CORPORATION," passed Second Reading and was referred to the Committee on Finance.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 448-96) recommending that H.B. No. 4139, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4139, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COMMUNITY HOSPITALS," passed Second Reading and was referred to the Committee on Finance.

Representatives Tom and Menor, for the Committees on Judiciary and Consumer Protection and Commerce, presented a joint report (Stand. Com. Rep. No. 449-96) recommending that H.B. No. 3678, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3678, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE REGISTRATION," was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 450-96) recommending that H.B. No. 2610, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2610, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE TEEN COURT PROGRAM," was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 451-96) recommending that H.B. No. 3351 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3351, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT ENFORCEMENT," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 452-96)

recommending that H.B. No. 3778, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3778, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD ABUSE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 453-96) recommending that H.B. No. 2853, HD 1, as amended in HD 2, be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2853, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," was referred to the Committee on Judiciary.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 454-96) recommending that H.B. No. 2897, as amended in HD 1, pass Second Reading and be referred to the Committee on Education.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2897, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Education.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 455-96) recommending that H.B. No. 3493, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3493, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NEWBORN METABOLIC SCREENING," passed Second Reading and was referred to the Committee on Finance.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 456-96) recommending that H.B. No. 3784, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3784, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MENTAL HEALTH," passed Second Reading and was referred to the Committee on Judiciary.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 457-96) recommending that H.B. No. 4058, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4058, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE HEALTH PLANNING AND DEVELOPMENT AGENCY," passed Second Reading and was referred to the Committee on Finance.

Representative Cachola, for the Committee on Tourism, presented a report (Stand. Com. Rep. No. 458-96) recommending that H.B. No. 3704, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3704, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Thielen.

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

"Mr. Speaker, my reservations are that as the counties are struggling, we are, in effect, freezing them at a point when they probably can least afford it.

"Home rule, as you know, is a big issue and in a way this probably is pushing the raising of property tax issues of which each of us have in our district -- people who feel that they are already overtaxed. If we are pushing their 'hand' for the sake of raising debt service for the convention center, which a few of us on this floor and many, many in the public assumed we had every dollar to pay for the convention center, this bill says we've got to take more money from the counties to pay for the convention center for which we've already told the public that we had the money taken care of.

"With that, Mr. Speaker, I think there are grave reservations about freezing the counties when they are already out in the cold financially.

"Thank you."

The following Representatives rose and requested the Clerk to register no votes for him/her, and the Chair "so ordered": Representatives Swain, Kawakami, Kahikina, Kanoho, Meyer and Kawanakaoa.

At 8:47 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 8:49 o'clock p.m.

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

"I just want to say, Mr. Speaker, that the mechanism set forth in the bill is quite innovative in the sense that we know what the problems are when it comes to paying the debt service, to pay the loans or bonds for the convention center. In our hearing, we were made fully aware that one percent of the TAT translates to about \$16.5 million. We were also told that in 1998, we will be paying \$33 million. In the year 2000, we will be paying \$40 million. If we are just going to depend on one percent of the TAT, there's no way that we will be able to pay the debt service for the convention center.

"We have to be fully aware that when we pass the TAT, the whole rationale for passing the five percent of the TAT is to use part of that to pay for the construction of the convention center. What we did was, we put it all in general fund and later on, we found ways to distribute these funds to the counties in lieu of grants-in-aid. So out of 5 percent, we gave like 4.5 percent of that to the counties, and .05 percent was left to the State government to shoulder for administration.

"The mechanism set forth in the bill is this, that we are going to cap TAT based on the 95 year level, and we are also going to cap GET based on the 95 year level. What that means, Mr. Speaker, is that when it comes to aid to

the counties, the amount that they will be getting is the same as what they got last year.

"We also provided in the committee report, Mr. Speaker, that if we are not going to find ways to fund the debt service, that the alternative is to raise taxes, and the taxes that are mentioned at this point in time is the transient accommodations tax.

"I mentioned that in the committee hearings and most of the members, as well as the Chamber of Commerce and the public, are not in favor of raising the transient accommodations tax. So another thing that I mentioned in the committee report is that Finance should at least look at other alternatives in funding the debt service if they can find one. It is also stated in the committee report that the Finance Committee should look at ways to compensate the counties for whatever shortfall that they will incur if in case they suffer loss of revenues over and above the 95 level.

"I think some of you are thinking that we are just going to take money from the counties. We are very supportive of the counties and are very sensitive of the needs of the counties, but also I am very sensitive of the needs of the State. State government, county government are suffering by the deficit. We know that the State government's budget deficit is big time. But the way I look at it is that if there is a way, all of us -- counties, state -- can share in paying the debt service.

"The convention center is, to my mind, the catalyst for our economic recovery, that we should find ways to look for funding to pay for it.

"If you look at the committee report, this Chair is very sensitive in trying to pay, or compensate the counties if we can find ways to do that.

"I hope that by explaining to you why this Chair introduced this bill and came up with this mechanism, that you will understand where I am coming from. Also, the bills that we have heard before whereby they kept the counties' share of the TAT and that gives them some taxing powers to raise property tax, or possibly giving them powers to impose GET tax, maybe up to one percent. There are other alternatives that we can look into. This is only Second Reading; maybe we can find some ways to compensate the City or some source of generating money for debt service without using this mechanism.

"For this reason, Mr. Speaker, I introduced this bill and passed it out. I hope that I explained this to my members and if you believe in what I am saying, please go up on this bill.

"Thank you."

Representative Takumi rose and stated:

"I apologize for letting out your prophetic words but I'll ask the Clerk to cast a no vote on this measure, and the Chair "so ordered."

Representative Takai rose and asked the Clerk to register an aye with reservations vote, and the Chair "so ordered."

Representative Tarnas rose and stated:

"Because of the eloquence of the Tourism Chair, I will withhold my no vote; rather, I'd like to vote aye with reservations because of the impacts on the counties," and the Chair "so ordered."

Representative Thielen rose and stated:

"I'd like an aye with reservations, and I want to watch it as it goes through the process," and the Chair "so ordered."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3704, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Kahikina, Kanoho, Kawakami, Kawanakoa, Meyer, Shon, Swain and Takumi voting no. (Representatives Takai, Tarnas and Thielen voted aye with reservations.)

Representative Cachola, for the Committee on Tourism, presented a report (Stand. Com. Rep. No. 459-96) recommending that H.B. No. 4080, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 4080, HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Meyer rose and requested the Clerk to register a no vote for her, and the Chair "so ordered."

Representative Meyer continued:

"I see that a survey by the Hawaii Hotel Association shows that the proposed tax credit would have no or little effect on the hotel's decision to renovate. Therefore, the tax credit cannot be considered an incentive, only a giveaway, to a particular tax paying group.

"I think that's a good enough reason not to support it.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 4080, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TOURISM," passed Second Reading and was referred to the Committee on Finance with Representative Meyer voting no.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 460-96) recommending that H.B. No. 2514, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2514, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE TRANSITION TO WORK SYSTEM," was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 461-96) recommending that H.B. No. 2642 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2642, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES' HEALTH FUND," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com.

Rep. No. 462-96) recommending that H.B. No. 3616 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3616, entitled: "A BILL FOR AN ACT RELATING TO LEAVE SHARING," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 463-96) recommending that H.B. No. 3341, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3341, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SALARY PAY PERIODS OF PUBLIC OFFICERS AND EMPLOYEES," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 464-96) recommending that H.B. No. 3343, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3343, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PERFORMANCE BASED CONTRACTING," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 465-96) recommending that H.B. No. 3464, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3464, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MODERNIZATION OF THE CLASSIFICATION PLAN," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 466-96) recommending that H.B. No. 4102, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4102, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RIGHTSIZING GOVERNMENT SERVICES," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 467-96) recommending that H.B. No. 2799, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2799, HD 1,



entitled: "A BILL FOR AN ACT RELATING TO OCCUPATIONAL SAFETY AND HEALTH," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 468-96) recommending that H.B. No. 3140, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3140, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 469-96) recommending that H.B. No. 3141 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3141, entitled: "A BILL FOR AN ACT RELATING TO THE STATE GOVERNMENT PERFORMANCE AUDIT PROGRAM," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 470-96) recommending that H.B. No. 3167 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3167, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 471-96) recommending that H.B. No. 3299 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3299, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEE STOCK OWNERSHIP PROGRAMS," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 472-96) recommending that H.B. No. 3562 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3562, entitled: "A BILL FOR AN ACT RELATING TO THE COLLECTION OF DELINQUENT TAXES," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 473-96) recommending that H.B. No. 2745, HD 1 be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2745, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DISABLED PARKING ENFORCEMENT," was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 474-96) recommending that H.B. No. 3564, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3564, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DISCLOSURE OF TAX RETURN AND TAX RETURN INFORMATION BY THE DEPARTMENT OF TAXATION," passed Second Reading and was referred to the Committee on Finance.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 475-96) recommending that H.B. No. 3503, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3503, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN'S SERVICES," was referred to the Committee on Finance.

Representatives Stegmaier and Lee, for the Committees on Education and Higher Education and the Arts, presented a joint report (Stand. Com. Rep. No. 476-96) recommending that H.B. No. 4038, HD 1, be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 4038, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII LABORATORY SCHOOL," was referred to the Committee on Finance.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 477-96) recommending that H.B. No. 2728, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2728, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EDUCATION," passed Second Reading and was referred to the Committee on Finance.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 478-96) recommending that H.B. No. 3345, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3345, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EDUCATION COUNCIL," passed Second Reading and was referred to the Committee on Finance.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No.

479-96) recommending that H.B. No. 3865, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3865, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN LANGUAGE IMMERSION PROGRAM," passed Second Reading and was referred to the Committee on Finance.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 480-96) recommending that H.B. No. 4127, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4127, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 481-96) recommending that H.B. No. 3305, HD 1, be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3305, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNDERGROUND STORAGE TANKS," was referred to the Committee on Finance.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 482-96) recommending that H.B. No. 3207, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3207, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," passed Second Reading and was referred to the Committee on Consumer Protection and Commerce.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 483-96) recommending that H.B. No. 3360 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3360, entitled: "A BILL FOR AN ACT RELATING TO ENTERPRISE ZONES," passed Second Reading and was referred to the Committee on Finance.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 484-96) recommending that H.B. No. 3852 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3852, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE

REVENUE BONDS TO ASSIST ETV HAWAII/ELEPHANT TELEVISION, INC," passed Second Reading and was referred to the Committee on Finance.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 485-96) recommending that H.B. No. 3980 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3980, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE MOLOKAI TELEMARTETING PROJECT," passed Second Reading and was referred to the Committee on Finance.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 486-96) recommending that H.B. No. 1436, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1436, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TELECOMMUNICATIONS," passed Second Reading and was referred to the Committee on Consumer Protection and Commerce.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 487-96) recommending that H.B. No. 3203, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3203, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE CENTER FOR A SUSTAINABLE FUTURE," passed Second Reading and was referred to the Committee on Finance.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 488-96) recommending that H.B. No. 3308 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3308, entitled: "A BILL FOR AN ACT RELATING TO THE CLEAN HAWAII CENTER," passed Second Reading and was referred to the Committee on Finance.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report (Stand. Com. Rep. No. 489-96) recommending that H.B. No. 4117, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4117, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE ENTERPRISE ZONES," passed Second Reading and was referred to the Committee on Finance.

Representative Herkes, for the Committee on Economic Development and Business Concerns, presented a report

(Stand. Com. Rep. No. 490-96) recommending that H.B. No. 4125 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4125, entitled: "A BILL FOR AN ACT RELATING TO CAPITAL LOAN PROGRAM," passed Second Reading and was referred to the Committee on Finance.

Representative Santiago, for the Committee on Ocean Recreation and Marine Resources, presented a report (Stand. Com. Rep. No. 491-96) recommending that H.B. No. 4118, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4118, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SMALL BOAT HARBORS," passed Second Reading and was referred to the Committee on Finance.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 492-96) recommending that H.B. No. 3786, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3786, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEVELOPMENTALLY DISABLED," passed Second Reading and was referred to the Committee on Finance.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 493-96) recommending that H.B. No. 4042, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4042, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INFORMED CONSENT," passed Second Reading and was referred to the Committee on Judiciary.

Representatives Chun Oakland and Stegmaier, for the Committees on Human Services and Education, presented a joint report (Stand. Com. Rep. No. 494-96) recommending that H.B. No. 4136, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committee was adopted and H.B. No. 4136, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EARLY CHILDHOOD EDUCATION," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 495-96) recommending that H.B. No. 3919, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3919, HD 2, be referred to the Committee on Finance, seconded by Representative Thielen.

Representative Kahikina rose to speak in support of the bill, with reservations, stating:

"I thank the Chairman of Judiciary and his committee and even this legislative body for recognizing the move towards self-determination for those of Hawaiian ancestry.

"The intent of this bill is to turn a federal act into a democratic process; that is, an American way.

"My reservation is that because this federal act has a blood quantum and the people that are affected are affected by this blood quantum. I feel that we need to look at the candidacy and the voter qualifications to be in line with the federal blood quantum requirements.

"Thank you."

Representative Swain then rose to cast an aye vote with reservations, and the Chair "so ordered."

Representative Kawanakoa then rose to cast an aye vote with reservations, and the Chair "so ordered."

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

"Mr. Speaker, I think one thing that's quite remarkable about this measure is that we are talking about, for the first time, moving away from appointed commissioners of the Department of Hawaiian Homes and instead, an elected commission, elected by the beneficiaries of the Hawaiian Homes Trust.

"Inherent, however, in this measure is something that has divided us around the issue of Hawaiian Homes anyway -- the issue of blood quantum. And so, I am somewhat saddened that it continues to divide us, those of us with the blood, even here on the floor of the House.

"My hope is that the discussion here in the House will be a reasonable discussion and that somehow we will come together in some consensus over this this year. That's my hope, Mr. Speaker. I don't know whether or not it's real, and I don't know whether or not it's reasonable to expect that something that has divided for a hundred years is going to be solved here today, but I feel quite heartened that, in fact, this bill is still alive when I thought it was dead a while back, and feel heartened that it's moving forward in the conversation.

"I hope that the members will keep that in mind and will give their consideration to supporting this measure for now.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3919, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION," was referred to the Committee on Finance.

Representative Morihara, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 496-96) recommending that H.B. No. 3915, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3915, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading and was referred to the Committee on Finance.

Representatives Arakaki and Pepper, for the Committees on Hawaiian Affairs and Housing and Health,

presented a joint report (Stand. Com. Rep. No. 497-96) recommending that H.B. No. 4103, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4103, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was referred to the Committee on Finance.

Representative Arakaki, for the Committee on Hawaiian Affairs and Housing, presented a report (Stand. Com. Rep. No. 498-96) recommending that H.B. No. 3364, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3364, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Thielen.

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

"Mr. Speaker, there are times for some of us during the legislative session that we can look back at a defining moment and I think, Mr. Speaker, for me, this is a defining moment. There is a time when we will show what we're all about. Thus far, it has been convenient to hide behind horrendous shortfalls, to make massive cuts in services and programs in health and social services, in the name of a balanced budget. It may be acceptable to ask everyone, regardless of age, disability or income, to sacrifice, to tighten our belts, so to speak, for the good of all.

"In the case of the General Assistance programs, Mr. Speaker and colleagues, what we are about to do is to pull the rug out from the most vulnerable of our population. We're about to diminish what little dignity the physically and mentally disabled and working poor may have. It was Thomas Jefferson who once said, and I quote: 'The care of human life and happiness is the first and only legitimate object of good government.' And, Mr. Speaker, I believe that. In fact, I place my whole service here as a legislator on that belief, and I still retain that idealism that we can continue to serve people in that manner.

"But I find it unconscionable, Mr. Speaker and colleagues, that we can spend \$5 million to send 300 prisoners to Texas, and we can't spare the same \$5 million for six thousand General Assistance recipients whose only crime, if it is a crime, is being disabled or poor. We will deny 85 percent of these six thousand plus a chance at decent housing, if you can get decent housing at \$418 a month which is what they now get, but at the end of March, we are going to cut that in half. It's going to make it almost impossible to pay rent. In fact, all the recipients who live in low-income public housing now will probably have to give up their units because they can't even afford that.

"This General Assistance program, Mr. Speaker, is a State-funded program -- entirely State-funded -- but it is the only safety net program that we have for this population. And the cost -- it is all State general revenue funds. But when you think about how much it costs to shelter the homeless -- about \$450 to \$490 a month for each individual -- or how much it costs to house an OCCC inmate at \$2,312 a month, or a mental health inpatient at the State Hospital -- \$14,405 a month. When you think about emergency care at a hospital at \$22,812 a

month, this is preventative. Unfortunately, we are going to be forcing these people into that situation.

"Through this measure, Mr. Speaker, I just want to provide some glimmer of hope, and I want to speak out now because I know there is going to be pressure to change it but in our committee, Mr. Speaker, because housing is such an important issue for this population, we provided \$5 million to take care of the emergency funding that is needed for the General Assistance program this year. But we are going to need the help of the Finance Committee and also the Governor to fast track these funds so that they can be provided the time before the cuts are being made.

"And I know there is probably not much hope in doing that, Mr. Speaker, but I still believe that this is what this body is all about -- to provide hope for people who have little hope, and still hope that we can be that shining light to these people even though no one is here to speak for them.

"With that, Mr. Speaker, I hope this measure will continue to move along.

"Thank you, Mr. Speaker."

Representative Morihara then rose and stated:

"I would just like to state my reservations because this bill addresses some agricultural issues without the consent of the Agriculture Chair.

"Thank you."

At 9:04 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 9:05 o'clock p.m.

Representative Swain then rose and stated:

"Mr. Speaker, I have the same concerns as my Chairman of the Agriculture Committee on this measure, so I would also like to cast an aye with reservations, please, and the Chair "so ordered."

Representative Santiago then rose and requested that the remarks of Representative Arakaki be entered into the Journal as his own, and the Chair "so ordered." (By reference only)

Representative Santiago continued, saying:

"I would also like to say that I support the measure, and I commend the Chair of the committee for some very courageous actions.

"Although the committee that I do chair would also be looking at some of the funds that will be earmarked, I understand the need and I will therefore support it.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3364, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FINANCES," passed Second Reading and was referred to the Committee on Finance.

Representative Chun Oakland, for the Committee on Human Services, presented a report (Stand. Com. Rep. No. 499-96) recommending that H.B. No. 3911, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3911, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE," passed Second Reading and was referred to the Committee on Finance.

Representative Shon, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 500-96) recommending that H.B. No. 2887, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2887, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NOISE POLLUTION," passed Second Reading and was referred to the Committee on Consumer Protection and Commerce.

Representative Shon, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 501-96) recommending that H.B. No. 2895, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2895, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL PROTECTION," passed Second Reading and was referred to the Committee on Judiciary.

Representative Shon, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 502-96) recommending that H.B. No. 3170, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3170, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Second Reading and was referred to the Committee on Consumer Protection and Commerce.

Representative Shon, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 503-96) recommending that H.B. No. 3892, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3892, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ROADSIDE HERBICIDE USE," passed Second Reading and was referred to the Committee on Finance.

Representative Shon, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 504-96) recommending that H.B. No. 3976, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3976, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF A SPECIAL PURPOSE REVENUE BOND TO ASSIST AN INDUSTRIAL ENTERPRISE," passed Second Reading and was referred to the Committee on Finance.

Representative Shon, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 505-96) recommending that H.B. No. 4062, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4062, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ALTERNATIVE FUELS," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 506-96) recommending that H.B. No. 3055 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3055, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 6, OF THE HAWAII CONSTITUTION, TO USE EXCESS GENERAL FUNDS TO CREATE A HAWAII EMERGENCY RELIEF AND OPPORTUNITY (HERO) FUND," passed Second Reading and was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 507-96) recommending that H.B. No. 3986, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3986, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD FATALITIES," was referred to the Committee on Finance.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 508-96) recommending that H.B. No. 4131, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 4131, HD 2, be referred to the Committee on Finance, seconded by Representative Thielen.

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

"My reservations are because there are certain items that have been taken out of this bill.

"This bill is really an omnibus bill relating to human services. I believe it was very well crafted, yet had a lot of components to it that I think made sense. Because when you look at the title -- Relating to Human Services -- and you look at the whole broad aspect of what really fits under that umbrella, to be able to come up with solutions, you need to address different components that could help.

"One thing that has been taken out of the bill was the ability for the disabled to participate in some meaningful employment. Of course, when you take away payments to assist those people and leave them with virtually nothing and no ability for them to be able to work, then you are not dealing with the whole broad spectrum of human services -- you're just leaving people without a safety net.

"The other thing was on page 23 of the bill, and for those of you that maybe don't have it in front of you, it's

Stand. Com. Report 313-96. On page 23 of the bill, it provided a means to obtain child support payments for a large number of the usually single mothers that are on AFDC payments, and I think they represent approximately 90 percent of the AFDC recipients. This would have allowed the suspension and restriction of licenses. You find a lawyer that's not paying his or her child support and that lawyer is going to have his/her license revoked -- bingo! you're going to find the check in the mail, and the monthly payments coming after that. Same with the architect, same with the engineer, same with someone that wants to drive an automobile. They have enough money to buy gas, they have enough money to have a car; they should have enough money then to allocate for child support.

"The bill was well thought out because, again with the cutbacks, it means that the AFDC, usually mothers, are going to end up without the money to take care of their children.

"The Legal Aid Society, where I used to work, put in testimony that just gripped me tremendously. And I think this is really true. I think we need to take a look at this. They said the practical impact of this bill will be that thousands of children will suffer poverty and deprivation. 'In my view,' said the author, 'if this bill becomes law, Hawaii will be visited with the unintended consequences of having child beggars become commonplace on our streets within three to five years.' The bill was designed to prevent that from happening, and sections that would have prevented that from happening have been gutted from the bill.

"I hope that the next committee will look at that, get prior concurrence from the Chair, and put those sections back into the bill, because if we're having the impact, which we are eventually going to have, the positive programs were drafted into this bill that will make the difference and will prevent the horrible situation of our having fostered child beggars being on the street.

"If we have this bill as an entire package, the way it was originally drafted, I believe that we are taking very sound and sensible steps to prevent that other tragedy from occurring.

"Thank you, Mr. Speaker."

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

"You know, we have a lot of issues that are very important, a lot of issues that mean a lot. One of the things that the Judiciary Committee always has to look at is the title. And one of the things that we have to be very cognizant is -- what is the subject matter of the bill and what is the title about?

"This bill had a lot of things in it. It had a lot of things from child support to revoking licenses from doctors to lawyers, to realtors, to chiropractors. Within the same child support section, it had a section about environmental health fund. It had numerous sections which had nothing to do with the issue of welfare reform. And I think that as part of our duty, our Judiciary Committee had to look at whether this was the proper vehicle that many of these sections were in and they were not. Unfortunately, it was not.

"And I say this to Representative Thielen's statement that, in fact, a vehicle of this nature was sent to the Senate two years ago, so it cannot be said that the House Judiciary Committee never and would not consider. We sent the bill and it wasn't acted upon by the Senate for whatever reason.

"We do take an interest in these issues. This was not the proper vehicle to do that in.

"Thank you very much."

Representative Santiago then rose to speak in support of the bill, with reservations, stating:

"Few issues will evoke as much passion in this Representative as this one will. I am sure all of you have your issues that you find very, very dear to you. But just to show the Representative from Maui who, earlier on, talked about the unreasonable Oahu legislators, I wanted to show that we can be very reasonable at times and, therefore, will be voting with reservations, and pointing out one thing, Mr. Speaker.

"On page 16 of the bill, there are still some very specific percent reductions that are being basically put forth, and I wanted to note that until we know how much of a reduction we're going to be getting from the Federal government, this may be locking us in to something that would be unnecessary. I would like the next committee to really seriously consider having those percentages taken out.

"With that, Mr. Speaker, I still want to record my reservations.

"Thank you."

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

"My reservations, Mr. Speaker, are related to one change which has been made by the Judiciary Committee in this bill. That has to do with the deletion of the limitation and the amount of benefits received by new residents.

"Mr. Speaker, we are faced with some very sad decisions which may severely limit what we are able to do for our welfare recipients. Other states are taking a position which is being more selfish than that which is being forced upon us, and the benefits to their recipients are being cut extremely severely.

"It is my concern that we will get a flood of new residents who will come here to receive benefits which will look, in comparison with those of states on the Mainland, to be very generous. I recognize and respect the knowledge of the Chair of the Judiciary and accept the fact that this provision is in the form in which it was presented to him unconstitutional.

"But I say to the Finance Committee that unless we find some way of dealing with the issue of new residents coming here and expecting immediately to receive the benefits of our citizens, we are going to have a large number of people come here for our benefits, and that will make it even more difficult for us to support our residents. So I ask the Finance Committee to figure out some mechanism by which we can prevent non-residents from coming here and immediately receiving the benefits which we are able to provide for our residents.

"Thank you, Mr. Speaker."

Representative Thielen then rose and stated:

"Just a short statement in response to the Judiciary Chair's statement.

"I believe that helping the disabled find work and getting support for children in poverty falls under the title



of human services. I think that the umbrella is wide enough, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 4131, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," was referred to the Committee on Finance.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 509-96) recommending that H.B. No. 3064, as amended in HD 1, be referred to the Committee on Finance.

Representative Amaral moved that the joint report of the Committees be adopted and H.B. No. 3064, HD 1, be referred to the Committee on Finance, seconded by Representative Thielen.

Representative Thielen rose to speak against the bill, stating:

"The reason I am speaking against it instead of just with reservations is that I am really concerned about the impact of this bill. If it could be demonstrated as it goes through the process that my concerns are not valid, then I would be glad to change my vote.

"The way I read this bill, we are giving to the Liquor Commissions of the counties absolute authority over the sale of cigarettes and tobacco products, and you will find that section on page 1 of the bill, lines 13 through 15. By doing this, I read the bill as preempting the County Councils, and we all know that the County Councils have taken a much more stringent approach toward controlling the sale of cigarettes, a move, of course, which I certainly applaud. If this is taking away from the County Councils, the ability to further restrict cigarette sales, then I strongly oppose this bill.

"As an aside, I will note that the lobbyist for Phillip Morris was in the hearing. I don't know as to his involvement with the bill as it was drafted.

"On page 2 of the bill, it also states, in lines 6 and 7 that the license again, which is going to be issued by the Liquor Commission, is going to authorize a dealer to sell tobacco at retail. There's your authorization; there's your authority, and that's not the County Council. That's coming from the Liquor Commission.

"Then we go to jurisdiction. On page 10, lines 22 and 23, and on page 11, following over through line 4, it states that 'The Liquor Commission, within its own county, shall have the sole jurisdiction, power, authority,' and then you go on down to 'grant licenses for the manufacture, importation, and sale of cigarettes.'

"I think what we're doing is acing out the County Councils by this bill. Now, maybe I'm wrong, and I'd be glad to be proven wrong. But the way I read the bill is that it fits hand in glove with the cigarette lobbies' intent across the nation, which is to get control through one body in the state so they don't have to deal with other entities within each state that will have more stringent controls on the sale of cigarettes.

"If so, this is a clever attempt. They're not taking away the jurisdiction at just the state level, but they are replacing state absolute control with Liquor Commission absolute control. I think, from reading this bill, once it passes, the County Councils would have no authority to do anything more stringent.

"So, for those reasons, at this point, Mr. Speaker, I am voting no on this measure.

"Thank you."

Representative Garcia then rose to ask the Clerk to register an aye vote with reservations, and the Chair "so ordered."

Representative Garcia continued, saying"

"I understand the concerns raised by the previous speaker and while she is an attorney and much more schooled in the review of legalese, I will want to have other parties who have much more experience and knowledge on this matter to do their own review and see whether or not they can corroborate our concerns.

"With the edification of those who did not sit on this afternoon's joint committees as we decided on this matter, it was conferred to us by the lead Chair of the committee, Consumer Protection and Commerce, that he did not see or did not insert into the bill any language that would preempt the counties much along the lines of the previous speaker's concerns, so I will take Chairman Menor's word on that. Of course, I will be reviewing the draft as it goes along and will continue to see to it that the concerns raised by the previous speaker will not show up as the bill evolves.

"Thank you, Mr. Speaker."

Representative Case then rose and requested an aye with reservations, and the Chair "so ordered."

The motion was put by the Chair and carried, and the joint report of the Committees was adopted and H.B. No. 3064, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RETAIL TOBACCO SALES," was referred to the Committee on Finance with Representative Thielen voting no. (Representatives Case and Garcia voted aye with reservations.)

Representatives Menor and Pepper, for the Committees on Consumer Protection and Commerce and Judiciary, presented a report (Stand. Com. Rep. No. 510-96) recommending that H.B. No. 3427, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3427, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ACCREDITATION IN INSURANCE REGULATION," passed Second Reading and was referred to the Committee on Finance.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a report (Stand. Com. Rep. No. 511-96) recommending that H.B. No. 2988, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Amaral moved that the joint report of the Committees be adopted and H.B. No. 2988, HD 2, be referred to the Committee on Finance, seconded by Representative Thielen.

Representative Kawanakoa rose to speak in support of the bill, with reservations, stating:

"Basically, if we take a look at this very encompassing legislation regarding Family Hope or caring for our elderly with long-term health care, it's very needed. We all realize that it's going to be a crisis in the near future.

However, I am very concerned with how we are going to go about financing this extensive Family Hope, Long-term Health Care Plan.

"With that, I note on the committee report, on page 2, item 4 (I believe it should be 3), but at any rate, it says that one of the things that the task force is to do is to develop a modified financing plan, which is something I would encourage the next committee to again focus on, requesting this task force and a group that will be meeting in the interim to work not only on establishing the trust fund and initiating this worthy program, but also to find means that are innovative in order to reduce the cost of what is otherwise another tax and a State-funded health care program.

"With that, I thank you for allowing me to state my reservations.

"Thank you."

Representative Lee then rose to speak in support of the bill, with reservations, stating:

"I think what was raised by the distinguished Representative from Foster Village and other environments, on a previous bill as well as by the distinguished Representative from Nuuanu, we are faced with a problem of benefits that will attract nonresidents. I think we have to really look very carefully at how we structure the way we take care of residents in need. We must look at what we have done in the past and see whether it cannot be applicable in the future.

"The Pre-paid Health Plan, which has been the hallmark of Hawaii's health system, is based on a very, very interesting proposition. In order to have health benefits, you must work and your employer undertakes the obligation of providing the health benefits as has been the custom in Hawaii since the establishment of the sugar and pineapple plantations. That system is grounded not only in economic development of the islands, but also in the customary and traditional mores of the various cultures which came to Hawaii, particularly the Chinese, the Japanese, and others from Asia. The marriage of these two factors has enabled us to establish a health system that has a clear connection between the benefits in relation to the obligations of both the employer and employee, that is all the people of the islands.

"What we have before us in House Bill 2988 is an assumption that the government can do these things which had heretofore been developed through the various elements of society. The antecedent of this problem can be seen very clearly in the establishment of Quest and a General Assistance program.

"The General Assistance program has no counterpart in the states on the Mainland. It is the uniquely Hawaiian way of assuming the obligation out of our own pockets but, at the same time, it has no connection between what the government has offered when one -- the recipient -- is obligated to undertake as is the case with the Pre-paid Health Program. And this disturbs me when the Family Hope Program is divorced entirely from the long-standing traditions of not only the Asian immigrants, but also the traditional Hawaiian ohana, whereby the groups in the ancient Hawaiian society took care of their own. There was a system of obligations on both sides.

"I would like to ask that those responsible for advocating the Hope Program to look at what has happened to General Assistance, to Quest. We are really, in a way, opening up another larger Pandora's box which just gobbles up not only money, but also destroys hope by both the recipients as well as by other members of society.

"We must revisit what self-reliance, responsibility and social -- especially social -- obligations inherent in various cultures that have been here before and who have come, and to see how we can work for a system that accommodates both private and public elements such as has happened with the eminently successful Pre-paid Health Act of 1973.

"For these reasons, I would like to express my severe reservations about this bill, as well as about the other programs initiated entirely on our own voluntary generosity.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the joint report of the Committees was adopted and H.B. No. 2988, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM CARE," was referred to the Committee on Finance.

Representative Menor, the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 512-96) recommending that H.B. No. 3179, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3179, HD 2, be referred to the Committee on Finance, seconded by Representative Thielen.

Representative Yamane rose and requested an aye vote with reservations, and the Chair "so ordered."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3179, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MENTAL HEALTH AND ALCOHOL AND DRUG ABUSE TREATMENT INSURANCE BENEFITS," was referred to the Committee on Finance. (Representative Yamane voted aye with reservations.)

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 513-96) recommending that H.B. No. 3399, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3399, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION," passed Second Reading and was referred to the Committee on Finance.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 514-96) recommending that H.B. No. 4087, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4087, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARING PLANS," passed Second Reading and was referred to the Committee on Finance.

Representatives Stegmaier, Pepper and Chun Oakland, for the Committees on Education; Health; and Human Services, presented a joint report (Stand. Com. Rep. No. 515-96) recommending that H.B. No. 465, HD 1, as amended in HD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 465, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance.

Representative Morihara, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 516-96) recommending that H.B. No. 3881, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3881, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR AGRICULTURAL RESEARCH AND DEVELOPMENT," passed Second Reading and was referred to the Committee on Finance.

Representatives Yonamine, Menor and Tom, for the Committees on Labor and Public Employment; Consumer Protection and Commerce; and Judiciary, presented a joint report (Stand. Com. Rep. No. 517-96) recommending that H.B. No. 3935 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committee was adopted and H.B. No. 3935, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEES," passed Second Reading and was referred to the Committee on Finance.

Representatives Yonamine, Menor and Tom, for the Committees on Labor and Public Employment; Consumer Protection and Commerce; and Judiciary, presented a joint report (Stand. Com. Rep. No. 518-96) recommending that H.B. No. 3979 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3979, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," passed Second Reading and was referred to the Committee on Finance.

Representatives Yonamine, Menor and Tom, for the Committees on Labor and Public Employment; Consumer Protection and Commerce; and Judiciary, presented a joint report (Stand. Com. Rep. No. 519-96) recommending that H.B. No. 3512, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Amaral moved that the joint report of the Committees be adopted and H.B. No. 3512, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Thielen.

Representative Takamine rose and asked the Clerk to register a no vote for him, and the Chair "so ordered."

The motion was put by the Chair and carried, and the joint report of the Committees was adopted and H.B. No. 3512, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Second Reading and was referred to the Committee on Finance with Representative Takamine voting no.

Representatives Pepper and Menor, for the Committees on Labor and Public Employment and Consumer Protection and Commerce, presented a joint report

(Stand. Com. Rep. No. 520-96) recommending that H.B. No. 3968, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3968, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION INSURANCE," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 521-96) recommending that H.B. No. 3482 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3482, entitled: "A BILL FOR AN ACT RELATING TO INCENTIVE AWARDS," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 522-96) recommending that H.B. No. 2452, HD 1, as amended in HD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2452, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES' HEALTH FUND," passed Second Reading and was referred to the Committee on Finance.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 523-96) recommending that H.B. No. 3518, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3518, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," passed Second Reading and was referred to the Committee on Finance.

Representatives Takamine and Shon, for the Committees on Water and Land Use Planning and Energy and Environmental Protection, presented a joint report (Stand. Com. Rep. No. 524-96) recommending that H.B. No. 3941 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3941, entitled: "A BILL FOR AN ACT RELATING TO FOREST RESERVES," passed Second Reading and was referred to the Committee on Finance.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 525-96) recommending that H.B. No. 2902, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2902, HD 1, entitled: "A BILL FOR AN ACT RELATING TO

MOTORSPORTS INSURANCE," passed Second Reading and was referred to the Committee on Judiciary.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 526-96) recommending that H.B. No. 2531, as amended in HD 1, be referred to the Committee on Consumer Protection and Commerce.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 2531, HD 1, be referred to the Committee on Consumer Protection and Commerce, seconded by Representative Thielen.

Representative Ward rose to speak against the bill, stating:

"As a father of a toddler, how can I speak against child care? My daughter just went to preschool two months ago.

"The difficulty is that I want my child to be in a care facility that has an ambience, an atmosphere and attitude that they are wanted where they are settled and this bill, Mr. Speaker, slam dunks and forces child care unto areas that are unwanted.

"The second reason is because my area is filled with condominiums. This bill puts in jeopardy those fiduciary responsibilities of boards and owners by causing them extreme liability for child care facilities that would be in their premises. Also, they would be forced to restructure the architecture of the building by meeting ADA and other requirements.

"Mr. Speaker, the reason why I would speak out now is that we can do it better by taking away some of the sticks and giving them some carrots. I would hope that the next committee would give what otherwise condominium owners already feel like they are second-class citizens because they can't own their properties in fee, and now we're going to dictate to them that they shall have care facilities in such a dictatorial manner ... you shall not; we will void every regulation you have. It's a bit too strong, and my suggestion is if you could get a few incentives -- something that gives them some motivation rather than reaction and forcing that upon them.

"Thank you, Mr. Speaker."

Representative McMurdo rose to speak against the bill, stating:

"I am very unhappy about this bill. As you know, I was Chair of the Health and Human Services Committee for six years, and I think my record speaks for itself, and for me to stand up and cast a no vote on a child care bill is heartbreaking. But this bill goes entirely too far.

"What is happening here is, you're taking a whole structure which you will find in 514A and via the other legislation in HRS that's surrounding the condominiums and also co-ops, to say nothing of multi-family dwellings in the sense of apartments, but with the condominiums, you are cutting into the very fiber, the very essence of what the condominium is, and you'll have to get into the declaration, the by-laws, we'll have to amend 514 and the other statutes.

"I predict that we would have, if this bill passes as it is written mandating the removal of covenants, et cetera, that there will be such a rash of litigation in this state and such a furor that it will be a terrible situation.

"I think that the next committee should look carefully at this and at the very minimum, make child care in

condominiums and co-ops and the like, a voluntary thing which the owners vote on rather than a mandatory one.

"Thank you, Mr. Speaker."

Representative Stegmaier rose and asked the Clerk to register his support for the bill with reservations, and the Chair "so ordered."

Representative Shon rose and requested the Clerk to register a no vote for him, and asked that Representative McMurdo's remarks be entered into the Journal as his own, and the Chair "so ordered." (By reference only)

The following Representatives rose and requested the Clerk to register an aye vote with reservations: Representatives Yamane, Meyer and Takai, and the Chair "so ordered."

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

"Mr. Speaker, you know, I got the calls also from the people with the Homeowners' Association who wanted to talk to me about the huge liabilities they face, and the parking problems when parents are dropping off their children and they double-park, and they block the cars.

"Quite frankly, my heart was not as touched as it is every time I have to talk to a Mom who has a difficult time getting to her job on time because her child care provider lives across town because it is difficult to find child care providers. Every time, I have to talk to a Mom who wants to stay at home, who wants to help take care of her neighbors' kids, but if she lives in a condominium, is not allowed to do so if that condo bans it as a business instead of as a residential unit.

"Times are hard. Both parents have to work these days, Mr. Speaker. Children need to be in a safe environment; parents feel comfortable about leaving them with neighbors; and I find myself talking to homeowners' association presidents who want to talk to me about perceived problems with insurance or parking problems with parents dropping children off.

"I'm not quite sure where our values are, but I, for one, believe that we need more child care centers. I believe that these homeowners' associations were given the opportunity to look at this issue, and they choose to stand doggedly against allowing further child care providers in their association so they could keep their pools clean or their dogs running free.

"I am not quite sure why but unless the Legislature takes some leadership on this issue, we will continue to not have enough people out there to provide safe and economical child care for our children, and that, I believe, is an obscenity. Therefore, I support this measure and hope my members will as well.

"Thank you."

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

"When I was first elected to the House of Representatives in 1990, my daughter said to me, 'Mom, what are you going to do about child care? It's a terrible situation and a terrible problem.'

"Well today, members, we are doing something, and I hope that we all stand strong and vote aye on this bill.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2531, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FAMILY CHILD CARE HOMES," was referred to the Committee on Consumer Protection and Commerce with Representatives McMurdo, Shon and Ward voting no. (Representatives Meyer, Stegmaier, Takai and Yamane voted aye with reservations.)

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 527-96) recommending that H.B. No. 3311, HD 1, be referred to the Committee on Judiciary.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3311, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LIFEGUARDS," was referred to the Committee on Judiciary.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 528-96) recommending that H.B. No. 3081, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3081, HD 2, be referred to the Committee on Finance, seconded by Representative Thielen.

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

"We had a recent decision by the courts with respect to cultural rights and a dilemma on how to be sensitive to native Hawaiian rights while still needing to develop the surrounding area.

"I think that this bill helps to point us into the direction of conversing with the people who traditionally have used the lands, maintaining that conversation in a positive way so that people that will use the land in the future have an understanding and appreciation of the past history. It also goes a long way to helping minimize any future liabilities in cases before the courts.

"I think that's a big step forward, so I hope the members will support this measure.

"Thank you."

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

"You will note that on Second Reading, I registered an aye with reservations with regard to the breadth and scope of this particular native Hawaiian cultural impact statements. At that time, it would have required any permit, any extension of a lanai or otherwise, to go through the entire process of a native Hawaiian cultural impact statement, and I believe the Committee on Water and Land Use Planning effectively limited the scope to only require one of these native Hawaiian cultural impact statements in a case where you have EIS required for the permit or project.

"My concern at this point is in regard to the definition of what effect on native Hawaiian culture means, and while it doesn't specifically address certain specific rights of native Hawaiians as defined in our Constitution and the Admission Act, I find subsection 3 to perhaps be a little more difficult, and I would hope that the next committee or at conference, would have an opportunity to perhaps hone that definition. If we take a look, it would

require a filer of a petition to determine what effect there is on historic and cultural resources of native Hawaiians, including those relating to mo'o ku'auhau (genealogy); mo'olelo (oral and written history, traditions); wahi pana (notable places); wao akua (the upland dominion of the gods); wao kanaka (the residential and occupational dominion of man); the shoreline and ocean, and other applicable non-tangible resources.

"While I very much again agree with the intent and the purpose of this bill, I am concerned about its effective use, and what may turn into litigation in our courts, defining these various historic and cultural resources of native Hawaiians.

"Hopefully, we will be able to come forth with a more clearer reference to what specific impacts we're having on the native Hawaiian culture. And I'll simply note that House Draft 1 had very clear designated notions such as burial sites, historic sites, archaeological sites, roads, trails, past or current uses of the affected property, the description of the original source of title, and any other information the State agency may require which may be more appropriately inputted rules and regulations.

"With those reservations, I only hope to encourage a better drafted bill that may come forward after further consideration.

"Thank you, Mr. Speaker."

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

"Representing a district that is currently gripped in a conflict resolution process regarding this very topic, I feel that I must extend my gratitude to the Chair of the Water and Land Use Planning Committee for his diligence in crafting a bill that does take this a step forward.

"I wanted to point out that this is taking a good step forward in clarifying the definitions that the good Representative from Nuuanu is seeking to further, and I do encourage the next committee to do their best to articulate these even clearer, but I must congratulate the Water and Land Use Committee for taking this fine step.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3081, HD 2, entitled: "A BILL FOR AN ACT RELATING TO NATIVE HAWAIIAN CULTURAL IMPACT STATEMENTS," was referred to the Committee on Finance. (Representatives Kawanakoa and Yamane voted aye with reservations.)

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 529-96) recommending that H.B. No. 3280, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3280, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," was referred to the Committee on Finance.

## ANNOUNCEMENT

Representative Kawanakoa rose and stated:

"I know the hour is late, but I would like to invite the other members of the House and anyone in the audience to join us on Monday, which happens to be President's Day and a holiday. Our office will be sponsoring a public forum on the private participation in our prisons. We were very fortunate to have with us on Monday, February 19th, from 10:00 a.m. to 12:00 noon in Room 329, Bobby Ross of the Bobby Ross Group who is currently housing 300 of our prisoners in Texas, or I should say 299, and I am sure he will be pleased to answer all of your questions on their capacity to track down this lone escapee.

"Also joining Bobby Ross will be Mr. Meyers who is President of Corrections Corporation of America. This is a corporation that is the initial leader in private correctional facilities with 20,357 beds, and it currently has 46 facilities under contract with 11 states, including also Puerto Rico, Australia and the United Kingdom. He is very knowledgeable, and his company is the foremost company in private correctional facilities.

"Also joining us will be Mr. Ted Sakai, Deputy Director of the Department of Public Safety.

"We really hope to have a good public forum of information on how we might address our critical, overcrowding and need as, Mr. Speaker, you noted in your Opening Day remarks with regard to more prison facilities.

"Thank you, Mr. Speaker."

#### **ADJOURNMENT**

At 9:45 o'clock p.m., on motion by Representative Amaral, seconded by Representative Thielen and carried, the House of Representatives adjourned until 11:30 o'clock a.m. on Tuesday, February 20, 1996.



## TWENTY-SECOND DAY

**Tuesday, February 20, 1996**

The House of Representatives of the Eighteenth Legislature of the State of Hawaii, Regular Session of 1996, convened at 11:43 o'clock a.m., with the Speaker presiding.

The invocation was delivered by Elder Shirley Engel of the Seventh Day Adventist Church, after which the Roll was called showing all members present with the exception of Representative Takamine, who was excused.

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

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

## GOVERNOR'S MESSAGE

Gov. Msg. No. 159, transmitting copies of the 1995 Compliance Resolution Fund Annual Report, pursuant to Section 26-9(o), Hawaii Revised Statutes, was read by the Clerk and was placed on file.

## SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 12 to 19) were read by the Clerk and were placed on file:

Sen. Com. No. 12, transmitting S.B. No. 2186, SD 1, entitled: "A BILL FOR AN ACT RELATING TO UNAUTHORIZED CONTROL OF PROPELLED VEHICLES," which passed Third Reading in the Senate on February 16, 1996.

Sen. Com. No. 13, transmitting S.B. No. 2323, SD 1, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS," which passed Third Reading in the Senate on February 16, 1996.

Sen. Com. No. 14, transmitting S.B. No. 2324, SD 1, entitled: "A BILL FOR AN ACT RELATING TO TRESPASS," which passed Third Reading in the Senate on February 16, 1996.

Sen. Com. No. 15, transmitting S.B. No. 2326, SD 1, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC VIOLENCE," which passed Third Reading in the Senate on February 16, 1996.

Sen. Com. No. 16, transmitting S.B. No. 2379, SD 1, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS," which passed Third Reading in the Senate on February 16, 1996.

Sen. Com. No. 17, transmitting S.B. No. 2416, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," which passed Third Reading in the Senate on February 16, 1996.

Sen. Com. No. 18, transmitting S.B. No. 2665, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN AFFAIRS," which passed Third Reading in the Senate on February 16, 1996.

Sen. Com. No. 19, transmitting S.B. No. 2783, SD 1, entitled: "A BILL FOR AN ACT RELATING TO DRUG

DEMAND REDUCTION ASSESSMENTS," which passed Third Reading in the Senate on February 16, 1996.

On motion by Representative Amaral, seconded by Representative Thielen and carried, S.B. Nos. 2186, SD 1; 2323, SD 1; 2324, SD 1; 2326, SD 1; 2379, SD 1; 2416, SD 1; 2665; and 2783, SD 1, passed First Reading by title and further action was deferred.

At this time, Representative Morihara introduced to the members of the House Kauai Doyle of the Maui Food Bank, and Charlotte Seals of the Molokai Food Bank.

At 11:48 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:18 o'clock p.m.

## ORDER OF THE DAY

## SUSPENSION OF RULES

On motion by Representative Amaral, 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. 2867, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2867, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROSTITUTION," passed Third Reading by a vote of 48 ayes to 2 noes, with Representatives Kahikina and McMurdo voting no, and Representative Takamine being excused.

**H.B. No. 3905, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3905, HD 1, entitled: "A BILL FOR AN ACT RELATING TO USE TAXES," passed Third Reading by a vote of 50 ayes, with Representative Takamine being excused.

**H.B. No. 3244:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3244, entitled: "A BILL FOR AN ACT RELATING TO THE PENAL CODE," passed Third Reading by a vote of 50 ayes, with Representative Takamine being excused.

**H.B. No. 3596:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3596, entitled: "A BILL FOR AN ACT RELATING TO THE DISPOSITION OF AN ELECTION TIE," passed Third Reading by a vote of 50 ayes, with Representative Takamine being excused.

**H.B. No. 3631:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3631, entitled: "A BILL FOR AN ACT RELATING TO THE SUMMONING OF JURORS," passed Third Reading by a vote of 50 ayes, with Representative Takamine being excused.

**H.B. No. 3243, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3243, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DOGS," passed Third Reading by a vote of 43 ayes to 7 noes, with Representatives Abinsay, Anderson, Chun Oakland, Santiago, Takai, Takumi and Thielen voting no, and Representative Takamine being excused.

**H.B. No. 3645, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3645, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTION OF FINES AND COSTS," passed Third Reading by a vote of 50 ayes, with Representative Takamine being excused.

**H.B. No. 2971, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2971, HD 1, entitled: "A BILL FOR AN ACT RELATING TO YOUTHFUL OFFENDERS," passed Third Reading by a vote of 40 ayes to 10 noes, with Representatives Abinsay, Chun Oakland, Hamakawa, Hiraki, Nekoba, Saiki, Santiago, Takai, Takumi and Tarnas voting no, and Representative Takamine being excused.

**H.B. No. 3331:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3331, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 50 ayes, with Representative Takamine being excused.

**H.B. No. 3351:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3351, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT ENFORCEMENT," passed Third Reading by a vote of 50 ayes, with Representative Takamine being excused.

**H.B. No. 3778, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3778, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD ABUSE," passed Third Reading by a vote of 50 ayes, with Representative Takamine being excused.

At 12:20 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:21 o'clock p.m.

The Chair directed the Clerk to note that H.B. Nos. 2867, 3905, 3244, 3596, 3631, 3243, 3645, 2971, 3331, 3351 and 3778 had passed Third Reading at 12:43 o'clock p.m.

**INTRODUCTION OF RESOLUTIONS**

By unanimous consent, the following resolutions (H.R. Nos. 49 to 53) and concurrent resolutions (H.C.R. Nos. 39 to 43) were referred to printing and further action was deferred:

H.R. No. 49, entitled: "HOUSE RESOLUTION URGING THE GOVERNOR AND THE DIRECTOR OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM TO ESTABLISH A STRONG RELATIONSHIP WITH ASIA AND THE PACIFIC RIM NATIONS THROUGH EDUCATIONAL, CULTURAL, AND ECONOMIC ACTIVITIES," was jointly offered by Representatives Chang, Cachola, Ward, Abinsay, Amaral, Case, Herkes, Isbell, Ito, Jones, Kahikina, Lee, Morihara, Santiago and Tarnas.

H.R. No. 50, entitled: "HOUSE RESOLUTION REQUESTING EACH COUNTY TO ADOPT THE MOST CURRENT STANDARDS FOR MASONRY AND CONVENTIONAL LIGHT-FRAMED CONSTRUCTION IN HIGH WIND AREAS UPON THEIR PUBLICATION BY THE INTERNATIONAL CONFERENCE OF BUILDING OFFICIALS IN THE UNIFORM BUILDING CODE," was jointly offered by Representatives Cachola, Menor, Chang, Ito, Lee, Morihara, Swain, Takai and Takumi.

H.R. No. 51, entitled: "HOUSE RESOLUTION REQUESTING THE UNITED STATES CONGRESS TO ENACT LEGISLATION OR A CONSTITUTIONAL AMENDMENT ALLOWING PRAYER OR SILENT MEDITATION IN THE PUBLIC SCHOOLS," was jointly offered by Representatives Cachola, White, Swain, Abinsay, Isbell, Kanoho, M. Oshiro, Kahikina, Ito and Ward.

H.R. No. 52, entitled: "HOUSE RESOLUTION EXPRESSING STRONG DISAPPROVAL OF THE LEGISLATURE OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS FOR APPROVING LEGISLATION ESTABLISHING A SIX-MONTH FREEZE IN THE LOCAL MINIMUM WAGE," was jointly offered by Representatives Cachola, Menor, Garcia, Abinsay, Herkes, Chang, Yamane, Swain, Case, Chun Oakland, Hiraki, Isbell, Kahikina, Morihara, Nekoba, P. Oshiro, Saiki, Takumi and Yonamine.

H.R. No. 53, entitled: "HOUSE RESOLUTION REQUESTING A FEASIBILITY STUDY OF TRANSFERRING THE MANAGEMENT OF THE CAPITOL BUILDING FROM THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO THE LEGISLATURE," was offered by Representative Souki.

H.C.R. No. 39, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE GOVERNOR AND THE DIRECTOR OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM TO ESTABLISH A STRONG RELATIONSHIP WITH ASIA AND THE PACIFIC RIM NATIONS THROUGH EDUCATIONAL, CULTURAL, AND ECONOMIC ACTIVITIES," was jointly offered by Representatives Chang, Cachola, Ward, Abinsay, Amaral, Case, Herkes, Isbell, Ito, Jones, Kahikina, Lee, Morihara, Santiago and Tarnas.

H.C.R. No. 40, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING EACH COUNTY TO ADOPT THE MOST CURRENT STANDARDS FOR MASONRY AND CONVENTIONAL LIGHT-FRAMED CONSTRUCTION IN HIGH WIND AREAS UPON THEIR PUBLICATION BY THE INTERNATIONAL CONFERENCE OF BUILDING OFFICIALS IN THE UNIFORM BUILDING CODE," was jointly offered by Representatives Cachola, Menor, Chang, Ito, Lee, Morihara, Swain, Takai and Takumi.

H.C.R. No. 41, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE UNITED STATES CONGRESS TO ENACT LEGISLATION OR A CONSTITUTIONAL AMENDMENT ALLOWING PRAYER OR SILENT MEDITATION IN THE PUBLIC SCHOOLS," was jointly offered by Representatives Cachola, White, Abinsay, Isbell, Kanoho, M. Oshiro, Kahikina, Ito, Swain and Ward.

H.C.R. No. 42, entitled: "HOUSE CONCURRENT RESOLUTION EXPRESSING STRONG DISAPPROVAL OF THE LEGISLATURE OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS FOR APPROVING LEGISLATION ESTABLISHING A SIX-MONTH FREEZE IN THE LOCAL MINIMUM WAGE," was jointly offered by Representatives Cachola, Menor, Garcia, Abinsay, Herkes, Chang, Yamane, Swain, Case, Chun Oakland, Hiraki, Isbell, Kahikina, Morihara, Nekoba, P. Oshiro, Saiki, Takumi and Yonamine.

H.C.R. No. 43, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A FEASIBILITY STUDY OF TRANSFERRING THE MANAGEMENT OF THE CAPITOL BUILDING FROM THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO THE LEGISLATURE," was offered by Representative Souki.

#### **ANNOUNCEMENT**

Representative Tarnas: "I would like to announce that the Keiki Caucus will meet directly after the Majority caucus in Room 312."

#### **ADJOURNMENT**

At 12:24 o'clock p.m., on motion by Representative Amaral, seconded by Representative Thielen and carried, the House of Representatives adjourned until 11:30 o'clock a.m. tomorrow, Wednesday, February 21, 1996.

## TWENTY-THIRD DAY

Wednesday, February 21, 1996

The House of Representatives of the Eighteenth Legislature of the State of Hawaii, Regular Session of 1996, convened at 11:40 o'clock a.m., with the Speaker presiding.

The invocation was delivered by Representative Virginia Isbell, after which the Roll was called showing all members present with the exception of Representatives Anderson, Halford, McMurdo, Menor and Tom, who were excused.

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

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

## GOVERNOR'S MESSAGE

Gov. Msg. No. 160, transmitting copies of the 1995 Annual Report prepared by the Department of Labor and Industrial Relations, pursuant to Section 371-7, Hawaii Revised Statutes, as amended, was read by the Clerk and was placed on file.

## SENATE COMMUNICATION

Sen. Com. No. 20, transmitting Senate Bill No. 2784, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL IMPACT STATEMENTS," which passed Third Reading in the Senate on February 20, 1996, was read by the Clerk and was placed on file.

On motion by Representative Amaral, seconded by Representative Thielen and carried, S.B. No. 2784 passed First Reading by title and further action was deferred.

At this time, Representative Yonamine introduced to the members of the House Jennie Lee Kong and Kendra Watanabe, students at Pearl City High School, and his "shadows" for today.

## ORDER OF THE DAY

## COMMITTEE REFERRALS

The following Senate bills were disposed of as follows:

<u>S.B. Nos.</u>	<u>Referred to:</u>
2186	Committee on Judiciary
2323	Committee on Judiciary
2324	Committee on Water and Land Use Planning, then to the Committee on Judiciary
2326	Committee on Judiciary
2379	Committee on Judiciary
2416	Committee on Health, then jointly to the Committee on Judiciary and the Committee on Consumer Protection and Commerce

2665	Committee on Hawaiian Affairs and Housing
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2783	Committee on Judiciary
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2784	Committee on Energy and Environmental Protection
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## DEFERRED RESOLUTIONS

The following resolutions (H.R. Nos. 49 to 53) and concurrent resolutions (H.C.R. Nos. 39 to 43) were disposed of as follows:

<u>H.R. Nos.</u>	<u>Referred to:</u>
49	Committee on Economic Development and Business Concerns, then to the Committee on Intergovernmental Relations and International Affairs, then to the Committee on Finance
50	Committee on Consumer Protection and Commerce, then to the Committee on Intergovernmental Relations and International Affairs, then to the Committee on Finance
51	Committee on Education, then to the Committee on Judiciary
52	Jointly to the Committee on Intergovernmental Relations and International Affairs and the Committee on Labor and Public Employment, then to the Committee on Judiciary
53	Committee on Legislative Management, then to the Committee on Finance

H.C.R. Nos.

39	Committee on Economic Development and Business Concerns, then to the Committee on Intergovernmental Relations and International Affairs, then to the Committee on Finance
40	Committee on Consumer Protection and Commerce, then to the Committee on Intergovernmental Relations and International Affairs, then to the Committee on Finance
41	Committee on Education, then to the Committee on Judiciary
42	Jointly to the Committee on Intergovernmental Relations and International Affairs and the Committee on Labor and Public Employment, then to the Committee on Judiciary
43	Committee on Legislative Management, then to the Committee on Finance

## COMMITTEE REASSIGNMENTS

The following House bills were re-referred as follows:

<u>H.B. Nos.</u>	<u>Re-referred to:</u>
2992	Committee on Finance
3388	Committee on Finance
3405	Committee on Finance

3908 Committee on Intergovernmental Relations and International Affairs, then to the Committee on Finance

3909 Committee on Human Services, then to the Committee on Finance

The following resolution (H.R. No. 28) and concurrent resolution (H.C.R. No. 24) were re-referred as follows:

**H.R. No.      Re-referred to:**

28 Jointly to the Committee on Human Services and the Committee on Education, then to the Committee on Finance

**H.C.R. No.**

24 Jointly to the Committee on Human Services and the Committee on Education, then to the Committee on Finance

**INTRODUCTION OF RESOLUTION  
(FLOOR PRESENTATION)**

H.R. No. 54, entitled: "HOUSE RESOLUTION COMMENDING STEPHEN D. KEENER FOR HIS NOTEWORTHY CONTRIBUTIONS TO LITTLE LEAGUE BASEBALL," was offered by Representative Say and was read by the Clerk.

Representative Say moved that H.R. No. 54 be adopted, seconded by Representative Amaral.

Representative Say rose and proceeded to introduce the honoree, stating:

"Mr. Speaker and this illustrious body, it's not every time that we have the opportunity of introducing a distinguished individual who has portrayed the Little League model and symbol of all of our kids.

"For those of us who have young boys who are in the Little League Program, Mr. Keener has done a lot in developing the international baseball arena for our youths of America.

"At this time, Mr. Speaker and members of the House, I would like to introduce the President of the Little League Baseball, Incorporated -- Mr. Stephen D. Keener."

The honoree, Mr. Stephen D. Keener, rose to be recognized.

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

"I have two boys that are in Little League this year -- one is in the Minors and the other one is in T-Ball. I coached Little League for many years, and I know what it instills in the kids.

"I also had the opportunity of escorting the Kauai Little League team to the championships in California a few years ago when they beat Pearl City. As you all know, Pearl City goes every year. The Kauai Little League team beat them one year, and that was an exciting moment for those kids from Kauai. And Little League just does an immense amount of good work in instilling this in the kids.

"On behalf of myself and Representative Nekoba who, just a few years ago, got out of Little League, I would like to say -- Congratulations!

"Thank you."

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

"There was a saying that I grew up with: 'Give the kid a bat, a ball, and a place to play and never will he go astray.'

"I think, Mr. Speaker, that is why I rise to commend this young man for the young people that he is helping. I think, as we get so many youth problems in Hawaii, it's showing how these parents are not doing the job, and this gives a chance for the parents to go out and interact with the kids, to give them a role model and mentoring.

"And if there is anything, Mr. Speaker, that is the excuse for the Chair of Finance not being present, that's because he is out playing ball with his kids, and I commend him for that also.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and H.R. No. 54 was adopted.

At this time, Representative Say presented Mr. Keener with a Certificate of Recognition and Representative Kawakami presented him with a floral lei.

At 11:50 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:07 o'clock p.m.

**SUSPENSION OF RULES**

On motion by Representative Amaral, 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.

**STANDING COMMITTEE REPORTS**

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 530-96) recommending that H.B. No. 3550, as amended in HD 1, be recommitted to the Committee on Finance.

On motion by Representative Say, seconded by Representative Kawakami and carried, the report of the Committee was adopted and H.B. No. 3550, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONFORMITY TO THE INTERNAL REVENUE CODE," was recommitted to the Committee on Finance.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 531-96) recommending that H.B. No. 2598 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2598, entitled: "A BILL FOR AN ACT RELATING TO QUALIFICATIONS FOR EXAMINATION AND LICENSURE TO PRACTICE MEDICINE AND SURGERY," having been read throughout, passed Third Reading by a vote of 46 ayes, with Representatives Anderson, Halford, McMurdo, Menor and Tom being excused.

The Chair directed the Clerk to note that H.B. No. 2598 had passed Third Reading at 12:08 o'clock p.m.

**ADJOURNMENT**

At 12:09 o'clock p.m., on motion by Representative Amaral, seconded by Representative Thielen and carried, the House of Representatives adjourned until 11:30 o'clock a.m. on Thursday, February 29, 1996.



## TWENTY-FOURTH DAY

Thursday, February 29, 1996

The House of Representatives of the Eighteenth Legislature of the State of Hawaii, Regular Session of 1996, convened at 11:44 o'clock a.m., with the Speaker presiding.

The invocation was delivered by Lieutenant Ken Yossa, Catholic Chaplain, Naval Station - Sub Base Pearl Harbor, after which the Roll was called showing all members present with the exception of Representative M. Oshiro, who was excused.

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

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

## GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 161 to 169) were read by the Clerk and were placed on file:

Gov. Msg. No. 161, transmitting copies of the following: **SHPDA Task Force Final Report.**

Gov. Msg. No. 162, transmitting copies of the Report on University of Hawai'i Tuition Waivers, Fall 1995, prepared by the University of Hawai'i, pursuant to Act 161, Section 3(c), Session Laws of Hawai'i Regular 1995.

Gov. Msg. No. 163, transmitting copies of the Preliminary Report on Workers' Compensation Assigned Risk Pool, pursuant to Section 22 of Act 234, Session Laws of Hawaii (1995).

Gov. Msg. No. 164, transmitting copies of the following: **Annual Report to the Eighteenth Legislature, State of Hawaii, 1996 on Pace Hawaii at Maluhia.**

Gov. Msg. No. 165, transmitting copies of the 1995 Annual Report prepared by the Department of Hawaiian Home Lands, pursuant to Section 222, Hawaiian Homes Commission Act, 1920, as amended.

Gov. Msg. No. 166, transmitting copies of the Report to the 1996 Legislature in Response to SCR 270, SD 1, HD 2, Requesting the Department of Business, Economic Development & Tourism to Establish a Task Force to Develop a Plan to Market the Expertise and Excellence of Hawaii's Health Care which was prepared by the Department of Business, Economic Development & Tourism.

Gov. Msg. No. 167, transmitting copies of the Hawaii Visitors Bureau Funding Report, prepared by the Hawaii Public Broadcasting Authority, Department of Commerce and Consumer Affairs, pursuant to House Bill 1220, HD 1, SD 1, CD 1.

Gov. Msg. No. 168, transmitting copies of the report entitled, **Second Progress Report on the Missing Children State Clearinghouse Center**, in response to Act 246, Session Laws of Hawaii 1994, Creating the Missing Children State Clearinghouse Center.

Gov. Msg. No. 169, transmitting copies of the 1995 Annual Report prepared by the Hawaii Aquaculture

Advisory Council, pursuant to Section 189G-3, Hawaii Revised Statutes.

## SENATE COMMUNICATION

Sen. Com. No. 21, transmitting Senate Bill No. 675, SD 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," which passed Third Reading in the Senate on February 21, 1996, was read by the Clerk and was placed on file.

On motion by Representative Amaral, seconded by Representative Thielen and carried, S.B. No. 675, SD 2, passed First Reading by title and further action was deferred until later in the calendar.

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

Representative Ward introduced Miss Linda Starr, Transportation Chair of the Kuliouou/Kalani Neighborhood Board.

Representative Swain, on behalf of the Kauai legislators, introduced students from Waimea High School, Kapaa High School, and Kauai High School. They were accompanied by their teachers, Mr. Shibao, Mr. Kawamura and Miss Nitta.

Representative Suzuki introduced a group of students from Moanalua High School.

Representative Lee, on behalf of Representative M. Oshiro and himself, introduced a group of students from Our Lady of Sorrows School which is housed in Wahiawa. They were accompanied by their teacher, Mrs. Emmert, and a chaperone, Mrs. Flesch.

## ORDER OF THE DAY

## COMMITTEE REFERRAL

The following Senate bill (S.B. No. 675) was disposed of as follows:

<u>S.B. No.</u>	<u>Referred to:</u>
675	Committee on Judiciary

## STANDING COMMITTEE REPORTS

Representatives Tom and Menor, for the Committees on Judiciary and Consumer Protection and Commerce, presented a joint report (Stand. Com. Rep. No. 532-96) recommending that H.B. No. 2857, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 2857, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL PAPER," passed Second Reading and was placed on the calendar for Third Reading.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 533-96) recommending that H.B. No. 2576, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2576, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HANSEN'S DISEASE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 534-96) recommending that H.B. No. 3515 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3515, entitled: "A BILL FOR AN ACT RELATING TO THE OCCUPATIONAL SAFETY AND HEALTH LAW," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 535-96) recommending that H.B. No. 2862 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2862, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT ORDERS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 536-96) recommending that H.B. No. 2863 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2863, entitled: "A BILL FOR AN ACT RELATING TO LAND COURT REGISTRATION," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 537-96) recommending that H.B. No. 3043, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3043, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THEFT AND RELATED OFFENSES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 538-96) recommending that H.B. No. 3349, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3349, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DISSEMINATION OF CRIMINAL HISTORY RECORD INFORMATION," 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. 539-96)

recommending that H.B. No. 3567, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3567, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ROUNDING OF TAX RETURN ITEM ENTRIES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 540-96) recommending that H.B. No. 3227 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3227, entitled: "A BILL FOR AN ACT RELATED TO INSURANCE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 541-96) recommending that H.B. No. 3394 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3394, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS DEVELOPMENT CORPORATIONS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 542-96) recommending that H.B. No. 3396 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3396, entitled: "A BILL FOR AN ACT RELATING TO ESCROW DEPOSITORIES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 543-96) recommending that H.B. No. 3398 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3398, entitled: "A BILL FOR AN ACT RELATING TO CHARITABLE SOLICITATIONS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 544-96) recommending that H.B. No. 3430 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3430, entitled: "A BILL FOR AN ACT RELATING TO SOLICITORS,"

passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 545-96) recommending that H.B. No. 3400 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3400, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 546-96) recommending that H.B. No. 3413 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3413, entitled: "A BILL FOR AN ACT RELATING TO INJUNCTIONS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 547-96) recommending that H.B. No. 3414 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3414, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE ADVERTISING," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 548-96) recommending that H.B. No. 3417 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3417, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INDUSTRY LICENSING," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 549-96) recommending that H.B. No. 1088, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1088, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 550-96) recommending that H.B. No. 2567, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the

Committee was adopted and H.B. No. 2567, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL SERVICES LOAN COMPANIES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 551-96) recommending that H.B. No. 3401, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3401, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE INSURANCE CODE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 552-96) recommending that H.B. No. 3408, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3408, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GIFT CERTIFICATES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 553-96) recommending that H.B. No. 3411, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3411, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE LANDLORD-TENANT CODE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 554-96) recommending that H.B. No. 2730, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2730, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROFESSIONAL AND VOCATIONAL REGULATORY PROGRAMS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 555-96) recommending that H.B. No. 3404 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3404, entitled: "A BILL FOR AN ACT RELATING TO MEDICARE SUPPLEMENT INSURANCE POLICIES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 556-96)

recommending that H.B. No. 3653 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3653, entitled: "A BILL FOR AN ACT RELATING TO HARASSMENT," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 557-96) recommending that H.B. No. 2447, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2447, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL SERVICES LOAN COMPANIES," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 558-96) recommending that H.B. No. 3410 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3410, entitled: "A BILL FOR AN ACT RELATING TO SALES," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 559-96) recommending that H.B. No. 3412 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3412, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE REPAIRS," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 560-96) recommending that H.B. No. 3416 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3416, entitled: "A BILL FOR AN ACT RELATING TO CITATIONS FOR UNLICENSED ACTIVITY," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 561-96) recommending that H.B. No. 3407, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3407, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNFAIR AND DECEPTIVE PRACTICES," passed

Second Reading and was placed on the calendar for Third Reading.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 562-96) recommending that H.B. No. 3409, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3409, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION," 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. 563-96) recommending that H.B. No. 3095, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3095, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONAL FACILITIES," 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. 564-96) recommending that H.B. No. 3508, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3508, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE DEPARTMENT OF HEALTH, CHILD AND ADOLESCENT MENTAL HEALTH DIVISION," 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. 565-96) recommending that H.B. No. 3561, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3561, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RELEASE OF LIENS BY THE DEPARTMENT OF TAXATION," 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. 566-96) recommending that H.B. No. 3574, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3574, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PAYMENTS TO THE STATE BY ELECTRONIC FUNDS TRANSFER," passed Second Reading and was placed on the calendar for Third Reading.

Representative Lee, for the Committee on Higher Education and the Arts, presented a report (Stand. Com.

Rep. No. 567-96) recommending that H.B. No. 1741, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 567-96 and H.B. No. 1741, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 1741, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 568-96) recommending that H.B. No. 2594, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 568-96 and H.B. No. 2594, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2594, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 569-96) recommending that H.B. No. 3138, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 569-96 and H.B. No. 3138, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3138, HD 1, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 570-96) recommending that H.B. No. 3154, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 570-96 and H.B. No. 3154, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3154, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 571-96) recommending that H.B. No. 3208, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 571-96 and H.B. No. 3208, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3208, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 572-96) recommending that H.B. No. 3344, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 572-96 and H.B. No. 3344, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3344, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 573-96) recommending that H.B. No. 3361, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 573-96 and H.B. No. 3361, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3361, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 574-96) recommending that H.B. No. 3425, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 574-96 and H.B. No. 3425, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3425, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 575-96) recommending that H.B. No. 3442, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 575-96 and H.B. No. 3442, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3442, HD 1, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 576-96) recommending that H.B. No. 3715, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 576-96 and H.B. No. 3715, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3715, HD 1, were made available to the members of the House at 11:30 o'clock a.m.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 577-96) recommending that H.B. No. 854, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 577-96 and H.B. No. 854, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 854, HD 1, were made available to the members of the House at 11:30 o'clock a.m.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 578-96) recommending that H.B. No. 3460, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 578-96 and H.B. No. 3460, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3460, HD 1, were made available to the members of the House at 11:30 o'clock a.m.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 579-96) recommending that H.B. No. 2564, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 579-96 and H.B. No. 2564, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of

H.B. No. 2564, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

### SUSPENSION OF RULES

On motion by Representative Amaral, 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.

### STANDING COMMITTEE REPORTS

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 580-96) recommending that H.B. No. 2355, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2355, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HURRICANE RELIEF FUND," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 581-96) recommending that H.B. No. 2599 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2599, entitled: "A BILL FOR AN ACT RELATING TO YOUTH," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 582-96) recommending that H.B. No. 3348 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3348, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR MEDICAID INVESTIGATIONS," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 583-96) recommending that H.B. No. 3454 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3454, entitled: "A BILL FOR AN ACT MAKING EMERGENCY APPROPRIATIONS FOR CHILD FOSTER CARE PAYMENTS," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 584-96) recommending that H.B. No. 3461 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3461, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY FEDERAL FUND APPROPRIATION INCREASE FOR HEALTH CARE PAYMENTS," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Tom for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 585-96) recommending that H.B. No. 1531 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1531, entitled: "A BILL FOR AN ACT RELATING TO DERELICT VEHICLES," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Tom for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 586-96) recommending that H.B. No. 2384, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2384, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSTRUCTION PERMITS," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Tom for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 587-96) recommending that H.B. No. 2957 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2957, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Tom for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 588-96) recommending that H.B. No. 3432, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3432, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL PERSONNEL IN THE DEPARTMENT OF EDUCATION," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 589-96) recommending that H.B. No. 2850, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2850, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 590-96) recommending that H.B. No. 3274 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3274, entitled: "A BILL FOR AN ACT RELATING TO REGISTRATION OF NEW MOTOR VEHICLES," having been read



throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 591-96) recommending that H.B. No. 3415 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3415, entitled: "A BILL FOR AN ACT RELATING TO HOMELESS FACILITIES," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 592-96) recommending that H.B. No. 3419, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3419, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LICENSING QUALIFICATIONS TO PRACTICE MEDICINE AND SURGERY," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 593-96) recommending that H.B. No. 4035, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4035, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PACKAGED SOIL," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 594-96) recommending that H.B. No. 2526 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2526, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC AND SEXUAL VIOLENCE," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 595-96) recommending that H.B. No. 2687 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2687, entitled: "A BILL FOR AN ACT RELATING TO LICENSE PLATES," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 596-96) recommending that H.B. No. 3429, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3429, HD 1, entitled: "A BILL FOR AN ACT RELATING TO

UNCLAIMED PROPERTY," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 597-96) recommending that H.B. No. 3433 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3433, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL PERSONNEL IN THE DEPARTMENT OF EDUCATION," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 598-96) recommending that H.B. No. 3459 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3459, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF HUMAN SERVICES," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 599-96) recommending that H.B. No. 3476 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3476, entitled: "A BILL FOR AN ACT RELATING TO A DEFERRED COMPENSATION RETIREMENT PLAN FOR PART-TIME, TEMPORARY, AND SEASONAL/CASUAL EMPLOYEES," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 600-96) recommending that H.B. No. 3498 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3498, entitled: "A BILL FOR AN ACT RELATING TO MENTAL HEALTH," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 601-96) recommending that H.B. No. 3516 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3516, entitled: "A BILL FOR AN ACT RELATING TO VOLUNTARY WITHHOLDING OF FEDERAL AND STATE INCOME TAXES FROM UNEMPLOYMENT COMPENSATION," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 602-96) recommending that H.B. No. 3539 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3539, entitled: "A

**BILL FOR AN ACT RELATING TO CRIMINAL INJURIES COMPENSATION,"** having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 603-96) recommending that H.B. No. 3833, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3833, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE SERVICE FEES," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 604-96) recommending that H.B. No. 3852 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3852, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST ETV HAWAII/ELEPHANT TELEVISION, INC.," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 605-96) recommending that H.B. No. 3976, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3976, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF A SPECIAL PURPOSE REVENUE BOND TO ASSIST AN INDUSTRIAL ENTERPRISE," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 606-96) recommending that H.B. No. 4142 pass Third Reading.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 4142, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Kawanakoa rose to speak in support of the bill, with reservations, stating:

"Mr. Speaker, I just wanted to note that this particular bill will be very beneficial for our Hurricane Relief Fund revenues by the payment of premiums if, in fact, there's not a catastrophe within the next two, three, four or five years -- I'm not sure where the break-even point is.

"However, if there is a disaster within the near future, our gamble on funding our Hurricane Relief Fund via the State issuing revenue bonds would then be a risk that would have to be taken on by the State on its own, and for those reasons, I would hope that in conference, we will review this matter more in depth.

"I suppose my concern is that in the next two or three years, if there is a disaster in our islands, it is my understanding that the federal government would come in with disaster relief and rectify the situation for the majority of the damage.

"If we are funding the Hurricane Relief Fund, I believe we would be subjugating to the federal government and be responsible for those costs, and I would hope that this would just come up for discussion again at Conference Committee.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 4142, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 12, OF THE HAWAII CONSTITUTION, TO ALLOW THE USE OF REVENUE BONDS FOR THE FUNDING OF A STATE PROPERTY INSURANCE PROGRAM PROVIDING HURRICANE INSURANCE COVERAGE," having been read throughout, passed Third Reading by a vote of 50 ayes, with Representative M. Oshiro being excused.

The Chair directed the Clerk to note that H.B. Nos. 2355, 2599, 3348, 3454, 3461, 1531, 2384, 2957, 3432, 2850, 3274, 3415, 3419, 4035, 2526, 2687, 3429, 3433, 3459, 3476, 3498, 3516, 3539, 3833, 3852, 3976 and 4142 had passed Third Reading at 11:55 o'clock a.m.

At 11:56 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:58 o'clock a.m., Representative P. Oshiro was permitted a late introduction and he introduced representatives from the Council of State Governments, who are here "to discuss plans to hold their 1997 Annual Leadership Conference here in our islands," as follows: Senator Jeff Wells, Majority Leader of the Colorado State Senate and Chair-elect of the Council of State Governments; Mr. Dan Sprague, Executive Director of the CSG; and Miss Shari Hendrickson, Deputy Executive Director of the CSG. They were accompanied by former Senator Anthony Chang.

#### STANDING COMMITTEE REPORTS

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 607-96) recommending that H.B. No. 2514, HD 2, as amended in HD 3, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 607-96 and H.B. No. 2514, HD 3, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2514, HD 3, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 608-96) recommending that H.B. No. 2549, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 608-96 and H.B. No. 2549, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2549, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 609-96) recommending that H.B. No. 2644, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 609-96 and H.B. No. 2644, HD 1, was



By unanimous consent, consideration of Stand. Com. Rep. No. 634-96 and H.B. No. 3518, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of

H.B. No. 3518, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 635-96) recommending that H.B. No. 3538, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 635-96 and H.B. No. 3538, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3538, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 636-96) recommending that H.B. No. 3579, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 636-96 and H.B. No. 3579, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3579, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 637-96) recommending that H.B. No. 3611, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 637-96 and H.B. No. 3611, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3611, HD 1, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 638-96) recommending that H.B. No. 3648, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 638-96 and H.B. No. 3648, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3648, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 639-96) recommending that H.B. No. 3656, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 639-96 and H.B. No. 3656, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3656, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 640-96) recommending that H.B. No. 3835, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 640-96 and H.B. No. 3835, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3835, HD 1, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 641-96) recommending that H.B. No. 3890, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 641-96 and H.B. No. 3890, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3890, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 642-96) recommending that H.B. No. 2394, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 642-96 and H.B. No. 2394, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2394, HD 1, were made available to the members of the House at 11:30 o'clock a.m.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 643-96) recommending that H.B. No. 3177, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 643-96 and H.B. No. 3177, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3177, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 644-96) recommending that H.B. No. 2636, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 644-96 and H.B. No. 2636, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2636, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 645-96) recommending that H.B. No. 3182, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 645-96 and H.B. No. 3182, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3182, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 646-96) recommending that H.B. No. 3211, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 646-96 and H.B. No. 3211, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3211, HD 1, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 647-96)

recommending that H.B. No. 3438, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 647-96 and H.B. No. 3438, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3438, HD 1, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 648-96) recommending that H.B. No. 3540, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 648-96 and H.B. No. 3540, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3540, HD 1, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 649-96) recommending that H.B. No. 3542, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 649-96 and H.B. No. 3542, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3542, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 650-96) recommending that H.B. No. 3548, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 650-96 and H.B. No. 3548, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3548, HD 1, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 651-96) recommending that H.B. No. 3562, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 651-96 and H.B. No. 3562, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3562, HD 1, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 652-96) recommending that H.B. No. 3584, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 652-96 and H.B. No. 3584, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3584, HD 1, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 653-96) recommending that H.B. No. 3616, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 653-96 and H.B. No. 3616, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3616, HD 1, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 654-96) recommending that H.B. No. 4100, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 654-96 and H.B. No. 4100, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 4100, HD 1, were made available to the members of the House at 11:30 o'clock a.m.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 655-96) recommending that H.B. No. 2584, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 655-96 and H.B. No. 2584, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2584, HD 2, were made available to the members of the House at 11:30 o'clock a.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 656-96) recommending that H.B. No. 2702, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2702, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAX WITHHOLDING," 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. 657-96) recommending that H.B. No. 3238, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3238, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEARING AND VISION TESTING," 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. 658-96) recommending that H.B. No. 3558, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3558, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EXPEDITED TAX SETTLEMENT PROCEDURE," 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. 659-96) recommending that H.B. No. 3570, as amended in HD 1,



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

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3570, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE LICENSING OF CERTAIN SELLERS," 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. 660-96) recommending that H.B. No. 3853, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3853, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 661-96) recommending that H.B. No. 2697, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2697, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REAL ESTATE BROKERS AND SALESPERSONS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 662-96) recommending that H.B. No. 3760, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3760, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE COMPANIES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 663-96) recommending that H.B. No. 3809, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3809, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE SIGNS REQUIRED WHERE TOBACCO PRODUCTS ARE SOLD," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 664-96) recommending that H.B. No. 2444, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2444, HD 1,

entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL SERVICES LOAN COMPANIES," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 665-96) recommending that H.B. No. 2789, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2789, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOING OUT OF BUSINESS SALES," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 666-96) recommending that H.B. No. 2446 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 2446, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 667-96) recommending that H.B. No. 2520, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2520, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MISSING CHILDREN," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 668-96) recommending that H.B. No. 2528, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2528, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 669-96) recommending that H.B. No. 2864, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2864, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PARENTAGE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 670-96) recommending that H.B. No. 2869, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2869, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PARENTAGE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 671-96) recommending that H.B. No. 3346, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3346, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RECORDATION OF INSTRUMENTS IN THE BUREAU OF CONVEYANCES OR LAND COURT," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 672-96) recommending that H.B. No. 3347 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3347, entitled: "A BILL FOR AN ACT RELATING TO INTERPRETATION OF STATUTES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 673-96) recommending that H.B. No. 3491 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3491, entitled: "A BILL FOR AN ACT RELATING TO PARKING FOR PERSONS WITH DISABILITIES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 674-96) recommending that H.B. No. 3592 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3592, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF EDUCATION," passed Second Reading and was placed on the calendar for Third Reading.

Representative Hiraki, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 675-96) recommending that H.B. No. 2358, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2358, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUPIL TRANSPORTATION," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 676-96) recommending that H.B. No.

2448, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2448, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL SERVICES LOAN COMPANIES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 677-96) recommending that H.B. No. 3086, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3086, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE RENTALS," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 678-96) recommending that H.B. No. 2411, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 2411, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 679-96) recommending that H.B. No. 3109, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3109, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOLD AND SILVER STAMPING," passed Second Reading and was placed on the calendar for Third Reading.

## HOUSE COMMUNICATION

House communication from Patricia Mau-Shimizu, Chief Clerk, to the Honorable Benjamin J. Cayetano, Governor of the State of Hawaii, dated February 29, 1996, giving written notice of the final form of House Bill No. 4142, entitled: "PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 12, OF THE HAWAII CONSTITUTION, TO ALLOW THE USE OF REVENUE BONDS FOR THE FUNDING OF A STATE PROPERTY INSURANCE PROGRAM PROVIDING HURRICANE INSURANCE COVERAGE," in accordance with the provisions of Article XVII, Section 3 of the Hawaii State Constitution, was placed on file.

## INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 55 to 69) and concurrent resolutions (H.C.R. Nos. 44 to 60) were offered and referred to committee:

H.R. No. 55, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES IN CONJUNCTION WITH THE DEPARTMENT OF AGRICULTURE TO LOCATE AND DESIGNATE A SUITABLE SITE FOR A NEW SLAUGHTERHOUSE ON THE ISLAND OF OAHU," was jointly offered by Representatives Morihara, Swain, Chang, Jones and Takai.

Referred to: Committee on Agriculture, then jointly to the Committee on Water and Land Use Planning and the Committee on Energy and Environmental Protection, then to the Committee on Finance.

H.R. No. 56, entitled: "HOUSE RESOLUTION REQUESTING THE STATE DEPARTMENT OF AGRICULTURE TO EXPEDITE THE PLANT IMPORT RULEMAKING PROCESS AND FINALIZE THE MEMORANDUM OF AGREEMENT WITH THE UNITED STATES DEPARTMENT OF AGRICULTURE ANIMAL AND PLANT HEALTH INSPECTION SERVICE WITH RESPECT TO POST ENTRY INSPECTIONS OF SPECIFIC PLANT SPECIES," was jointly offered by Representatives Morihara, Swain, Chang, Jones and Takai.

Referred to: Committee on Agriculture, then to the Committee on Intergovernmental Relations and International Affairs, then to the Committee on Finance.

H.R. No. 57, entitled: "HOUSE RESOLUTION REQUESTING THE GOVERNOR OF THE STATE OF HAWAII TO TAKE THE NECESSARY ACTIONS TO ENSURE THAT THE LOWER HAMAKUA DITCH BE MAINTAINED FOR IRRIGATION PURPOSES FOR THE CULTIVATION OF PRIME AGRICULTURAL LANDS IN HAMAKUA," was jointly offered by Representatives Morihara, Jones, Chang, Swain and Takai.

Referred to: Committee on Agriculture, then to the Committee on Water and Land Use Planning, then to the Committee on Finance.

H.R. No. 58, entitled: "HOUSE RESOLUTION URGING THE STATE DEPARTMENT OF HEALTH TO ACTIVELY ASSIST AND SUPPORT MENTAL HEALTH SELF-HELP AND SUPPORT GROUPS," was jointly offered by Representatives Pepper and Stegmaier.

Referred to: Committee on Health, then to the Committee on Finance.

H.R. No. 59, entitled: "HOUSE RESOLUTION REQUESTING THE STATE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS TO REPORT ON ITS PROGRESS IN ESTABLISHING A COMPREHENSIVE WORKFORCE DEVELOPMENT SYSTEM IN HAWAII," was offered by Representative Ito.

Referred to: Committee on Labor and Public Employment, then to the Committee on Finance.

H.R. No. 60, entitled: "HOUSE RESOLUTION REQUESTING THE UNITED STATES DEPARTMENT OF AGRICULTURE TO CONDUCT AN ENTOMOLOGICAL SURVEY FOR AGRICULTURAL PESTS IN MICRONESIA," was offered by Representative Hamakawa.

Referred to: Committee on Agriculture, then to the Committee on Intergovernmental Relations and International Affairs.

H.R. No. 61, entitled: "HOUSE RESOLUTION AUTHORIZING THE BOARD OF LAND AND NATURAL RESOURCES TO LEASE CERTAIN SUBMERGED LANDS AT MANELE BAY, HAWAII, TO LANAI COMPANY, INC., FOR MARINA PURPOSES," was offered by Representative White.

Referred to: Jointly to the Committee on Water and Land Use Planning and the Committee on Ocean Recreation and Marine Resources, then to the Committee on Finance.

H.R. No. 62, entitled: "HOUSE RESOLUTION REQUESTING THE CREATION OF A TASK FORCE ON POST PARTUM CARE," was offered by Representative Pepper.

Referred to: Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance.

H.R. No. 63, entitled: "HOUSE RESOLUTION REQUESTING THE RECITATION OF THE PLEDGE OF ALLEGIANCE ONCE EACH WEEK DURING THE SESSIONS OF THE HOUSE OF REPRESENTATIVES," was jointly offered by Representatives Thielen, Ward and Kahikina.

Referred to: Committee on Legislative Management.

H.R. No. 64, entitled: "HOUSE RESOLUTION AFFIRMING LEGISLATIVE INTENT TO KEEP HAWAII'S BEACHES FREE," was offered by Representative Souki.

Referred to: Committee on Water and Land Use Planning, then to the Committee on Intergovernmental Relations and International Affairs, then to the Committee on Finance.

H.R. No. 65, entitled: "HOUSE RESOLUTION APPROVING AND AUTHORIZING THE ESTABLISHMENT OF STATE-PROVINCE RELATIONS OF FRIENDSHIP BETWEEN THE STATE OF HAWAII OF THE UNITED STATES OF AMERICA AND THE PROVINCE OF CEBU OF THE REPUBLIC OF THE PHILIPPINES," was jointly offered by Representatives Garcia, Menor, Abinsay and Cachola.

Referred to: Committee on Intergovernmental Relations and International Affairs, then to the Committee on Finance.

H.R. No. 66, entitled: "HOUSE RESOLUTION SUPPORTING THE EFFORTS OF THE HAWAII SOCIETY OF CORPORATE PLANNERS TO ESTABLISH A STATEWIDE ECONOMIC PARTNERSHIP BETWEEN BUSINESS, GOVERNMENT, ACADEMIC, LABOR, AND FOUNDATION SECTORS OF HAWAII SIMILAR TO THE BAY AREA ECONOMIC FORUM," was offered by Representative Suzuki.

Referred to: Committee on Economic Development and Business Concerns.

H.R. No. 67, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO SEARCH FOR WATER RESOURCES IN SOUTH KONA TO PROVIDE IRRIGATION WATER FOR AGRICULTURAL USERS," was jointly offered by Representatives Isbell, Tarnas, Chang, Hamakawa, Herkes and Takamine.

Referred to: Committee on Agriculture, then to the Committee on Water and Land Use Planning, then to the Committee on Finance.

H.R. No. 68, entitled: "HOUSE RESOLUTION TOWARD THE ELIMINATION OF CORPORAL PUNISHMENT IN HAWAII," was jointly offered by Representatives Isbell, Arakaki, Chun Oakland, Suzuki, Amaral, Santiago, Garcia, Hiraki, Nekoba, Abinsay, Tarnas, Hamakawa, Chang, Shon, Marumoto and Takamine.

Referred to: Committee on Human Services, then to the Committee on Judiciary.

H.R. No. 69, entitled: "HOUSE RESOLUTION REQUESTING A STUDY ON THE ESTABLISHMENT OF POST-HARVEST WAREHOUSING AND TREATMENT FACILITIES TO FACILITATE THE EXPORT AND MARKETING OF HAWAII-GROWN CROPS," was jointly offered by Representatives Morihara, Okamura, Herkes, Swain, Chang, Jones and Takai.

Referred to: Committee on Agriculture, then to the Committee on Legislative Management.

H.C.R. No. 44, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES IN CONJUNCTION WITH THE DEPARTMENT OF AGRICULTURE TO LOCATE AND DESIGNATE A SUITABLE SITE FOR A NEW SLAUGHTERHOUSE ON THE ISLAND OF OAHU," was jointly offered by Representatives Morihara, Swain, Chang, Jones and Takai.

Referred to: Committee on Agriculture, then jointly to the Committee on Water and Land Use Planning and the Committee on Energy and Environmental Protection, then to the Committee on Finance.

H.C.R. No. 45, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE STATE DEPARTMENT OF AGRICULTURE TO EXPEDITE THE PLANT IMPORT RULEMAKING PROCESS AND FINALIZE THE MEMORANDUM OF AGREEMENT WITH THE UNITED STATES DEPARTMENT OF AGRICULTURE ANIMAL AND PLANT HEALTH INSPECTION SERVICE WITH RESPECT TO POST ENTRY INSPECTIONS OF SPECIFIC PLANT SPECIES," was jointly offered by Representatives Morihara, Swain, Chang, Jones and Takai.

Referred to: Committee on Agriculture, then to the Committee on Intergovernmental Relations and International Affairs, then to the Committee on Finance.

H.C.R. No. 46, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE GOVERNOR OF THE STATE OF HAWAII TO TAKE THE NECESSARY ACTIONS TO ENSURE THAT THE LOWER HAMAKUA DITCH BE MAINTAINED FOR IRRIGATION PURPOSES FOR THE CULTIVATION OF PRIME AGRICULTURAL LANDS IN HAMAKUA," was jointly offered by Representatives Morihara, Jones, Chang, Swain and Takai.

Referred to: Committee on Agriculture, then to the Committee on Water and Land Use Planning, then to the Committee on Finance.

H.C.R. No. 47, entitled: "HOUSE CONCURRENT RESOLUTION AUTHORIZING THE BOARD OF LAND AND NATURAL RESOURCES TO LEASE CERTAIN

SUBMERGED LANDS AT MANELE BAY, HAWAII, TO LANAI COMPANY, INC., FOR MARINA PURPOSES," was offered by Representative White.

Referred to: Jointly to the Committee on Water and Land Use Planning and the Committee on Ocean Recreation and Marine Resources, then to the Committee on Finance.

H.C.R. No. 48, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE PRESIDENT OF THE UNITED STATES TO ESTABLISH A NATIONAL BLUE RIBBON COMMISSION TO REEXAMINE THE DRUG PROBLEM IN THE UNITED STATES AND SUBMIT ITS RECOMMENDATIONS TO THE PRESIDENT, THE CONGRESS, AND THE PEOPLE OF THE UNITED STATES," was jointly offered by Representatives Tarnas and Pepper.

Referred to: Committee on Judiciary.

H.C.R. No. 49, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE STATE DEPARTMENT OF HEALTH TO ACTIVELY ASSIST AND SUPPORT MENTAL HEALTH SELF-HELP AND SUPPORT GROUPS," was jointly offered by Representatives Pepper and Stegmaier.

Referred to: Committee on Health, then to the Committee on Finance.

H.C.R. No. 50, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE STATE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS TO REPORT ON ITS PROGRESS IN ESTABLISHING A COMPREHENSIVE WORKFORCE DEVELOPMENT SYSTEM IN HAWAII," was offered by Representative Ito.

Referred to: Committee on Labor and Public Employment, then to the Committee on Finance.

H.C.R. No. 51, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE UNITED STATES DEPARTMENT OF AGRICULTURE TO CONDUCT AN ENTOMOLOGICAL SURVEY FOR AGRICULTURAL PESTS IN MICRONESIA," was offered by Representative Hamakawa.

Referred to: Committee on Agriculture, then to the Committee on Intergovernmental Relations and International Affairs.

H.C.R. No. 52, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE CREATION OF A TASK FORCE ON POST PARTUM CARE," was offered by Representative Pepper.

Referred to: Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance.

H.C.R. No. 53, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE AUDITOR TO ANALYZE THE EXECUTIVE BUDGET PROCESS AND TO MAKE RECOMMENDATIONS FOR ITS IMPROVEMENT," was offered by Representative McMurdo.

Referred to: Committee on Legislative Management, then to the Committee on Finance.

H.C.R. No. 54, entitled: "HOUSE CONCURRENT RESOLUTION AFFIRMING LEGISLATIVE INTENT TO KEEP HAWAII'S BEACHES FREE," was offered by Representative Souki.

Referred to: Committee on Water and Land Use Planning, then to the Committee on Intergovernmental Relations and International Affairs, then to the Committee on Finance.

H.C.R. No. 55, entitled: "HOUSE CONCURRENT RESOLUTION APPROVING AND AUTHORIZING THE ESTABLISHMENT OF STATE-PROVINCE RELATIONS OF FRIENDSHIP BETWEEN THE STATE OF HAWAII OF THE UNITED STATES OF AMERICA AND THE PROVINCE OF CEBU OF THE REPUBLIC OF THE PHILIPPINES," was jointly offered by Representatives Garcia, Menor, Abinsay and Cachola.

Referred to: Committee on Intergovernmental Relations and International Affairs, then to the Committee on Finance.

H.C.R. No. 56, entitled: "HOUSE CONCURRENT RESOLUTION SUPPORTING THE EFFORTS OF THE HAWAII SOCIETY OF CORPORATE PLANNERS TO ESTABLISH A STATEWIDE ECONOMIC PARTNERSHIP BETWEEN BUSINESS, GOVERNMENT, ACADEMIC, LABOR, AND FOUNDATION SECTORS OF HAWAII SIMILAR TO THE BAY AREA ECONOMIC FORUM," was offered by Representative Suzuki.

Referred to: Committee on Economic Development and Business Concerns.

H.C.R. No. 57, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO SEARCH FOR WATER RESOURCES IN SOUTH KONA TO PROVIDE IRRIGATION WATER FOR AGRICULTURAL USERS," was jointly offered by Representatives Isbell, Tarnas, Chang, Hamakawa, Herkes and Takamine.

Referred to: Committee on Agriculture, then to the Committee on Water and Land Use Planning, then to the Committee on Finance.

H.C.R. No. 58, entitled: "HOUSE CONCURRENT RESOLUTION TOWARD THE ELIMINATION OF CORPORAL PUNISHMENT IN HAWAII," was jointly offered by Representatives Isbell, Arakaki, Chun Oakland, Suzuki, Amaral, Santiago, Garcia, Hiraki, Nekoba, Abinsay, Tarnas, Hamakawa, Chang, Shon, Marumoto and Takamine.

Referred to: Committee on Human Services, then to the Committee on Judiciary.

H.C.R. No. 59, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM TO DESIGNATE KONAMOKA THE OFFICIAL COLD COFFEE DRINK OF HAWAII," was offered by Representative Isbell.

Referred to: Committee on Economic Development and Business Concerns, then to the Committee on Judiciary.

H.C.R. No. 60, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A STUDY ON THE ESTABLISHMENT OF POST-HARVEST WAREHOUSING AND TREATMENT FACILITIES TO FACILITATE THE EXPORT AND MARKETING OF HAWAII-GROWN CROPS," was jointly offered by Representatives Morihara, Okamura, Herkes, Swain, Chang, Jones and Takai.

Referred to: Committee on Agriculture, then to the Committee on Legislative Management.

By unanimous consent, the following concurrent resolution (H.C.R. No. 61) was referred to printing and further action was deferred:

H.C.R. No. 61, entitled: "HOUSE CONCURRENT RESOLUTION AFFIRMING THE NEED FOR A PUBLIC-PRIVATE PROGRAM THAT ADHERES TO CERTAIN PRINCIPLES OF LONG-TERM CARE TO ADDRESS THE LONG-TERM CARE NEEDS OF THE RESIDENTS OF HAWAII," was jointly offered by Representatives Chun Oakland, Arakaki, Amaral, Case, Chang, Garcia, Herkes, Jones, Kahikina, Kanoho, Kawakami, Lee, Meyer, Morihara, Nekoba, M. Oshiro, Santiago, Souki, Stegmaier, Suzuki, Takai, Takamine, Tarnas, Thielen and Yonamine.

## ANNOUNCEMENTS

Representative Okamura: "There will be a Majority caucus tomorrow at 2:30 p.m. in the Majority Caucus Room to discuss Third Reading bills."

Representative Yonamine: "Your Committee on Labor and Public Employment is in recess. We should try to reconvene between 12:30 and 12:45 p.m."

Representative Kawakami rose and requested waiver of the 48-hour hearing notice requirement for the Finance Committee to hear House Bills 757; 1999; 3954, HD 1; 2859, HD 1; 3773; and 3163, HD 1; for decision making only on House Bills 4131, HD 2 and 3493, HD 1; and for reconsideration of House Bill 4025, HD 2, and the Chair "so ordered."

## ADJOURNMENT

At 12:05 o'clock p.m., on motion by Representative Amaral, seconded by Representative Thielen and carried, the House of Representatives adjourned until 3:00 o'clock p.m. tomorrow, Friday, March 1, 1996.

## TWENTY-FIFTH DAY

Friday, March 1, 1996

The House of Representatives of the Eighteenth Legislature of the State of Hawaii, Regular Session of 1996, convened at 3:21 o'clock p.m., with the Speaker presiding.

The invocation was delivered by Sister M. Davilyn Ah Chick of the St. Stephen Diocesan Center, after which the Roll was called showing all members present with the exception of Representatives McMurdo, Takamine and Tarnas, who were excused.

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

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

## SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 22 to 27) were read by the Clerk and were placed on file:

Sen. Com. No. 22, transmitting S.B. No. 678, SD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," which passed Third Reading in the Senate on March 1, 1996.

Sen. Com. No. 23, transmitting S.B. No. 1295, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EDUCATION," which passed Third Reading in the Senate on March 1, 1996.

Sen. Com. No. 24, transmitting S.B. No. 2052, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR," which passed Third Reading in the Senate on March 1, 1996.

Sen. Com. No. 25, transmitting S.B. No. 2144, entitled: "A BILL FOR AN ACT RELATING TO CONSERVATION EASEMENTS," which passed Third Reading in the Senate on March 1, 1996.

Sen. Com. No. 26, transmitting S.B. No. 2970, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES," which passed Third Reading in the Senate on March 1, 1996.

Sen. Com. No. 27, transmitting S.B. No. 3204, entitled: "A BILL FOR AN ACT RELATING TO HARBORS," which passed Third Reading in the Senate on March 1, 1996.

On motion by Representative Amaral, seconded by Representative Thielen and carried, S.B. Nos. 678, SD 1; 1295; 2052; 2144; 2970 and 3204 passed First Reading by title and further action was deferred until later in the calendar.

## MISCELLANEOUS COMMUNICATION

Misc. Com. No. 5 from T. David Woo, Jr., Clerk of the Senate, to the Honorable Benjamin J. Cayetano, Governor of the State of Hawaii (cc to Patricia Mau-Shimizu, Clerk of the House), giving written notice of the final form of S.B. No. 686, SD 1, entitled: "RELATING TO THE ATTORNEY GENERAL," in accordance with the provisions of Article XVII, Section 3 of the Hawaii

State Constitution, was read by the Clerk and was placed on file.

## ORDER OF THE DAY

## COMMITTEE REFERRALS

The following Senate bills were disposed of as follows:

<u>S.B. Nos.</u>	<u>Referred to:</u>
678	Committee on Intergovernmental Relations and International Affairs, then jointly to the Committee on Public Safety and Military Affairs and the Committee on Judiciary
1295	Committee on Education
2052	Jointly to the Committee on Consumer Protection and Commerce and the Committee on Judiciary
2144	Committee on Hawaiian Affairs and Housing, then to the Committee on Water and Land Use Planning
2304	Committee on Human Services, then to the Committee on Finance
2325	Committee on Judiciary
2714	Committee on Human Services
2970	Committee on Judiciary
3204	Committee on Transportation, then to the Committee on Water and Land Use Planning

## DEFERRED RESOLUTION

The following concurrent resolution (H.C.R. No. 61) was disposed of as follows:

<u>H.C.R. No.</u>	<u>Referred to:</u>
61	Committee on Human Services, then to the Committee on Finance

## COMMITTEE REASSIGNMENT

The following House bill (H.B. No. 3862) was re-referred as follows:

<u>H.B. No.</u>	<u>Re-referred to:</u>
3862	Committee on Education, then to the Committee on Judiciary

At 3:25 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 3:33 o'clock p.m., Representative Isbell was permitted a late introduction and she introduced the "newlyweds", Mr. Joe Tassil of the Governor's Office of Information, and his "new" wife, June.

At this time, Representative Tom rose and requested waiver of the 48-hour hearing notice requirement for decision making on H.B. No. 2366 to begin forthwith, and the Chair "so ordered."



Representative Thielen then rose and asked:

"Mr. Speaker, could I please get the number of that bill again?"

Representative Tom responded:

"The number of the bill is House Bill 2366."

Representative Thielen: "And could we have the subject matter of that bill, please?"

Representative Tom: "The subject matter is to propose an amendment to the Constitution of the State of Hawaii defining marriage in the State of Hawaii."

Representative Thielen: "Mr. Speaker, I believe the number. . .

The Chair interrupted and called a recess at 3:35 o'clock p.m., subject to the call of the Chair.

The House of Representatives reconvened at 4:17 o'clock p.m.

### SUSPENSION OF RULES

On motion by Representative Amaral, 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.

### STANDING COMMITTEE REPORTS

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 680-96) recommending that H.B. No. 2539 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2539, entitled: "A BILL FOR AN ACT RELATING TO THE AUTHORIZATION OF SPECIAL PURPOSE REVENUE BONDS FOR ENERGY DEVELOPMENT," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 681-96) recommending that H.B. No. 2883 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2883, entitled: "A BILL FOR AN ACT RELATING TO ECOTOURISM," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 682-96) recommending that H.B. No. 3203, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3203, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE CENTER FOR A SUSTAINABLE FUTURE," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 683-96) recommending that H.B. No. 3293, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3293, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 684-96) recommending that H.B. No. 3307 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3307, entitled: "A BILL FOR AN ACT RELATING TO MILK CONTROL," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 685-96) recommending that H.B. No. 3332 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3332, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 686-96) recommending that H.B. No. 3336 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3336, entitled: "A BILL FOR AN ACT RELATING TO HONEY BEE EXPORT SHIPMENTS," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 687-96) recommending that H.B. No. 3357, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3357, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT RECORDS," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 688-96) recommending that H.B. No. 3380 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3380, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAMS," having been read throughout, passed Third Reading by a vote of 48

ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 689-96) recommending that H.B. No. 3457 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3457, entitled: "A BILL FOR AN ACT RELATING TO STATE RENT SUPPLEMENTS," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 690-96) recommending that H.B. No. 3481, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3481, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR MARTIN LUTHER KING, JR., HOLIDAY ACTIVITIES BY THE CIVIL RIGHTS COMMISSION," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 691-96) recommending that H.B. No. 3505, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3505, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE REPRODUCTIVE RIGHTS PROTECTION COMMITTEE," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 692-96) recommending that H.B. No. 3514 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3514, entitled: "A BILL FOR AN ACT RELATING TO OCCUPATIONAL SAFETY AND HEALTH FEES," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 693-96) recommending that H.B. No. 3520 pass Third Reading.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3520, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Ward rose and stated:

"Mr. Speaker, I rise to speak against the bill for one primary reason.

"We had general assistance request of \$8 million and down to \$4 million. In this bill, Mr. Speaker, we have unemployment benefits for striking workers who have a job, who are secure, and I just felt that this bill signals the misplaced priorities in the State of Hawaii.

"In good conscience, I can't vote for a bill that is denied those who are either disabled, or poor, or wretched in some case or another, but yet those who have a job and are secure and went on a strike, you're now getting unemployment benefits.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3520, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR UNEMPLOYMENT BENEFITS TO FORMER STATE EMPLOYEES," having been read throughout, passed Third Reading by a vote of 47 ayes to 1 no, with Representative Ward voting no, and Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 694-96) recommending that H.B. No. 3523, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3523, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 695-96) recommending that H.B. No. 3525 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3525, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII FISHERIES COORDINATING COUNCIL," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 696-96) recommending that H.B. No. 3578, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3578, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONCESSIONS ON PUBLIC PROPERTY," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 697-96) recommending that H.B. No. 3691 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3691, entitled: "A BILL FOR AN ACT RELATING TO BONDS," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 698-96) recommending that H.B. No. 3979 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3979, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," having been read throughout, passed Third Reading by a vote of 43 ayes to 5 noes, with Representatives Hamakawa, Lee, Saiki, Takai and Takumi voting no, and Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 699-96) recommending that H.B. No. 4008, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4008, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LOANS," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 700-96) recommending that H.B. No. 4074, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4074, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND EXCHANGE," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 701-96) recommending that H.B. No. 3581 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3581, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 702-96) recommending that H.B. No. 3453 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3453, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 703-96) recommending that H.B. No. 3522, HD 1, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3522, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 704-96) recommending that H.B. No. 4010, HD 2, pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4010, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 705-96) recommending that H.B. No. 4143 pass Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4143, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HURRICANE RELIEF FUND," having been read throughout, passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

The Chair directed the Clerk to note that H.B. Nos. 2539, 2883, 3203, 3293, 3307, 3332, 3336, 3357, 3380, 3457, 3481, 3505, 3514, 3520, 3523, 3525, 3578, 3691, 3979, 4008, 4074, 3581, 3453, 3522, 4010 and 4143 had passed Third Reading at 4:23 o'clock p.m.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 706-96) recommending that H.B. No. 3065, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 706-96 and H.B. No. 3065, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3065, HD 2, were made available to the members of the House at 3:00 o'clock p.m.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 707-96) recommending that H.B. No. 3406, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 706-96 and H.B. No. 3406, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3406, HD 2, were made available to the members of the House at 3:00 o'clock p.m.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 708-96) recommending that H.B. No. 2647, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 708-96 and H.B. No. 2647, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2647, HD 1, were made available to the members of the House at 3:00 o'clock p.m.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 709-96) recommending that H.B. No. 2830, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 709-96 and H.B. No. 2830, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2830, HD 2, were made available to the members of the House at 3:00 o'clock p.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 710-96) recommending that H.B. No. 2642, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 710-96 and H.B. No. 2642, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2642, HD 1, were made available to the members of the House at 3:00 o'clock p.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 711-96) recommending that H.B. No. 2658, HD 2, as amended in HD 3, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 711-96 and H.B. No. 2658, HD 3, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2658, HD 3, were made available to the members of the House at 3:00 o'clock p.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 712-96) recommending that H.B. No. 2710, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 712-96 and H.B. No. 2710, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2710, HD 2, were made available to the members of the House at 3:00 o'clock p.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 713-96) recommending that H.B. No. 2729, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 713-96 and H.B. No. 2729, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 2729, HD 2, were made available to the members of the House at 3:00 o'clock p.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 714-96) recommending that H.B. No. 3153, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 714-96 and H.B. No. 3153, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3153, HD 2, were made available to the members of the House at 3:00 o'clock p.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 715-96) recommending that H.B. No. 3335, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 715-96 and H.B. No. 3335, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of

H.B. No. 3335, HD 2, were made available to the members of the House at 3:00 o'clock p.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 716-96) recommending that H.B. No. 3424, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 716-96 and H.B. No. 3424, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3424, HD 2, were made available to the members of the House at 3:00 o'clock p.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 717-96) recommending that H.B. No. 3527, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 717-96 and H.B. No. 3527, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3527, HD 1, were made available to the members of the House at 3:00 o'clock p.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 718-96) recommending that H.B. No. 3532, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 718-96 and H.B. No. 3532, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3532, HD 1, were made available to the members of the House at 3:00 o'clock p.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 719-96) recommending that H.B. No. 3612, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 719-96 and H.B. No. 3612, HD 2, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3612, HD 2, were made available to the members of the House at 3:00 o'clock p.m.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 720-96) recommending that H.B. No. 3916, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 720-96 and H.B. No. 3916, HD 1, was deferred, and in accordance with Article III, Section 15 of the Constitution of the State of Hawaii, printed copies of H.B. No. 3916, HD 1, were made available to the members of the House at 3:00 o'clock p.m.

Representative Pepper, for the Committee on Health, presented a report (Stand. Com. Rep. No. 721-96) recommending that H.B. No. 2555, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2555, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BURIAL PLOTS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 722-96) recommending that H.B. No. 2542, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2542, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 723-96) recommending that H.B. No. 3241, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3241, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROXIES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 724-96) recommending that H.B. No. 3291, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3291, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PROPERTY INSURANCE ASSOCIATION," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 725-96) recommending that H.B. No. 3711 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3711, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 726-96) recommending that H.B. No. 2688, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 2688, HD 1, entitled: "A BILL FOR AN ACT RELATING TO 'NO RULES COMBAT'," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 727-96) recommending that H.B. No. 3102, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committee was adopted and H.B. No. 3102, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTORS," 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. 728-96) recommending that H.B. No. 3088, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3088, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM CAPITAL GAINS TAX," 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. 729-96) recommending that H.B. No. 3550, HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3550, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONFORMITY TO THE INTERNAL REVENUE CODE," 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. 730-96) recommending that H.B. No. 4021, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 4021, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Thielen.

Representative Ward rose to cast his no vote, stating:

"As the Minority speaker's message was on Opening Day, we said: 'No gambling, no new taxes.'

"This is a tax on the old and the retired. This is a new tax. It's one that we don't feel is merited, one that I believe is going to receive as much opposition as we have on other tax increases.

"Thank you."

Representative Meyer rose and asked the Clerk to register a no vote for her, and the Chair "so ordered."

Representative Meyer continued, saying:

"Like my Minority Leader, I feel that this is another tax on a group of people who can ill afford to pay the tax. We have a lot of retirees that move to Hawaii because of our excellent climate, and also because they are not paying taxes on their pensions and many of them have very limited pensions.

"While this bill doesn't state specifically what the dollar amount is that will be taxed, I fear that once this is established, the dollar amount would move down because it would be a source of revenue.

"For that reason, I cannot support this bill.

"Thank you."

Representative Kawanakoa rose and asked the Clerk to register a no vote for him, and the Chair "so ordered."

Representative Kawanakoa continued, saying:

"As far as this is a new tax, I vote no, and I encourage my colleagues to do the same. But more importantly, I would be asking this body -- What is the purpose of this particular bill? I imagine it is to increase the revenues for our State coffers, to help us take care of our budgetary problems.

"My real concern is that we should be focusing on the budgetary problems of our citizens, of our businesses, of our constituents, and most importantly, the budgets of our elderly who are usually on a fixed budget. They have honed their grocery shopping, their movie going, their days at the park, all on a very limited budget. As I mentioned, honed it down to the least amount of expenditures. I think that's something the state government should also do -- start to hone down our expenditures.

"With that, I need to vote no, and hope to ask the next body or at the next reading that we all question -- Are we more concerned about our budget, more concerned about how we spend our monies, than we are about the budgets of our elderly?

"Thank you, Mr. Speaker."

Representative Pepper then rose and requested a conflict ruling, saying that he is a recipient of a pension, and the Chair ruled "no conflict."

Representative Thielen then rose and requested the Clerk to cast a no vote for her, and the Chair "so ordered."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 4021, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PENSION INCOME," passed Second Reading and was placed on the calendar for Third Reading with Representatives Kawanakoa, Meyer, Thielen and Ward voting no.

Representatives McMurdo and Tom, for the Committees on Public Safety and Military Affairs and Judiciary, presented a joint report (Stand. Com. Rep. No. 731-96) recommending that H.B. No. 3541, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3541, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PAROLING AUTHORITY," passed Second Reading and was placed on the calendar for Third Reading.

Representatives McMurdo and Tom, for the Committees on Public Safety and Military Affairs and Judiciary, presented a joint report (Stand. Com. Rep. No. 732-96) recommending that H.B. No. 3545 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3545, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF PUBLIC SAFETY," passed Second

Reading and was placed on the calendar for Third Reading.

Representatives McMurdo and Tom, for the Committees on Public Safety and Military Affairs and Judiciary, presented a joint report (Stand. Com. Rep. No. 733-96) recommending that H.B. No. 3546, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3546, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 734-96) recommending that H.B. No. 2975 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2975, entitled: "A BILL FOR AN ACT RELATING TO DRUGS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 735-96) recommending that H.B. No. 3338 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3338, entitled: "A BILL FOR AN ACT RELATING TO DEPOSIT OF PUBLICATIONS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 736-96) recommending that H.B. No. 2896, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2896, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NOTARIES PUBLIC," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 737-96) recommending that H.B. No. 2956, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2956, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VOLUNTEER SERVICE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 738-96) recommending that H.B. No. 2983, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2983, HD 1,



entitled: "A BILL FOR AN ACT RELATING TO MEDICAL RECORDS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 739-96) recommending that H.B. No. 3350, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3350, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PAYMENT OF CHILD SUPPORT," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 740-96) recommending that H.B. No. 3572, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3572, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENFORCEMENT OF CRIMINAL PROVISIONS UNDER TITLE 14 ADMINISTERED BY THE DEPARTMENT OF TAXATION," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 741-96) recommending that H.B. No. 3595, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3595, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ABSENTEE VOTING," passed Second Reading and was placed on the calendar for Third Reading.

Representative Arakaki, for the Committee on Hawaiian Affairs and Housing, presented a report (Stand. Com. Rep. No. 742-96) recommending that H.B. No. 3279, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3279, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Thielen.

Representative Kawanakoa rose to ask the Clerk to register a no vote for him, and the Chair "so ordered."

Representative Kawanakoa continued, saying:

"My reasons for stating such are that my community association from one of the Hawaiian homestead lands testified at the hearing, stating that they specifically did not approve of this bill. I believe the Association of Hawaiian Homesteaders also testified in opposition to this bill. As a matter of fact, the Department of Hawaiian Home Lands testified in opposition to this bill. Everybody who came before us, as I recall, testified in opposition to this bill. I may be mistaken -- there may have been someone that was in favor of this bill.

"However, while the intent of the bill is meritorious, by forestalling the sale of undeveloped land that a lessee

retains from the Department of Hawaiian Home Lands and sells it on the open market and thereby gets a profit off the land at the cost of the Trust.

"All the testifiers felt that the bill did not adequately address the problem and there were other ramifications that might come from the passage of this bill that were unintended. And it was actually requested and in agreement by all of the testifiers that, again there may have been one or two individuals who testified to another point, but everyone agreed that they would like to see a resolution calling for a task force from the Department of Hawaiian Home Lands, the State Council of Hawaiian Homestead Associations, and other Hawaiian associations to meet and devise legislation that would more appropriately address this concern without resulting in unintended misfortunes for some of our lessees.

"Thank you, Mr. Speaker."

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

"I understand the concerns presented by the previous speaker; however, I just want to point out that many of the concerns that were raised in the hearing are addressed in the bill. I believe we have addressed many of the concerns that were brought up both by the Hawaiian Home Lands and some of the homesteaders. And, we'd like to move this bill so that this discussion can continue.

"The main point we want to get at is to preclude speculation and exploitation just by the mere fact of receiving an award and really and truly provide the awards to those who deserve the benefits.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3279, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN HOME LANDS," passed Second Reading and was placed on the calendar for Third Reading with Representative Kawanakoa voting no.

Representative Arakaki, for the Committee on Hawaiian Affairs and Housing, presented a report (Stand. Com. Rep. No. 743-96) recommending that H.B. No. 3741, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3741, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Arakaki, for the Committee on Hawaiian Affairs and Housing, presented a report (Stand. Com. Rep. No. 744-96) recommending that H.B. No. 3970, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3970, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING FINANCE AND DEVELOPMENT CORPORATION," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 745-96) recommending that H.B. No.

3096, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3096, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RETURN OF MERCHANDISE," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 746-96) recommending that H.B. No. 3099, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3099, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THEFT OF UTILITY SERVICES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Kanoho, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 747-96) recommending that H.B. No. 3146, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3146, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE LEGISLATIVE AUDITOR," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 748-96) recommending that H.B. No. 2416, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2416, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CIVIL RIGHTS COMMISSION," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 749-96) recommending that H.B. No. 2516, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2516, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MANSLAUGHTER," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Tom and Menor, for the Committees on Judiciary and Consumer Protection and Commerce, presented a joint report (Stand. Com. Rep. No. 750-96) recommending that H.B. No. 2609, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 2609, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ARSON," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 751-96) recommending that H.B. No. 3544, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3544, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Thielen.

Representative Thielen rose to ask the Clerk to cast a no vote for her, and the Chair "so ordered."

Representative Thielen continued, saying:

"What this bill does is extend the period in which the Director of Public Safety will be allowed to release pretrial inmates from jails. I just don't think it's in the best interest of public safety to do that."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3544, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RELEASE OF PRETRIAL INMATES," passed Second Reading and was placed on the calendar for Third Reading with Representative Thielen voting no.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 752-96) recommending that H.B. No. 3924, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3924, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AMMUNITION," passed Second Reading and was placed on the calendar for Third Reading.

Representatives McMurdo and Tom, for the Committees on Public Safety and Military Affairs and Judiciary, presented a joint report (Stand. Com. Rep. No. 753-96) recommending that H.B. No. 2607, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 2607, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DISPOSITION OF DEFENDANTS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 754-96) recommending that H.B. No. 2840 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2840, entitled: "A BILL FOR AN ACT RELATING TO WILDLIFE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Takamine, for the Committee on Water and Land Use Planning, presented a report (Stand. Com. Rep. No. 755-96) recommending that H.B. No. 3521, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3521, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONSERVATION DISTRICT," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Takamine and Shon, for the Committees on Water and Land Use Planning and Energy and Environmental Protection, presented a joint report (Stand. Com. Rep. No. 756-96) recommending that H.B. No. 3917, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3917, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GAME MAMMALS," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 757-96) recommending that H.B. No. 2825, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 2825, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 758-96) recommending that H.B. No. 3233, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3233, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LABELING," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 759-96) recommending that H.B. No. 2443 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2443, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL SERVICES LOAN COMPANIES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 760-96) recommending that H.B. No. 3298, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3298, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 761-96) recommending that H.B. No. 3925, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3925, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CABLE TELEVISION," passed Second Reading and was placed on the calendar for Third Reading.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 762-96) recommending that H.B. No. 696, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 696, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WAGES AND HOURS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 763-96) recommending that H.B. No. 2991 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2991, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," passed Second Reading and was placed on the calendar for Third Reading.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 764-96) recommending that H.B. No. 3468 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3468, entitled: "A BILL FOR AN ACT RELATING TO UNASSEMBLED EXAMINATIONS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Yonamine, for the Committee on Labor and Public Employment, presented a report (Stand. Com. Rep. No. 765-96) recommending that H.B. No. 3519 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3519, entitled: "A BILL FOR AN ACT RELATING TO BOILER AND ELEVATOR SAFETY LAW," passed Second Reading and was placed on the calendar for Third Reading.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 766-96) recommending that H.B. No. 2515, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 2515, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Thielen.

Representative Shon rose to speak against the bill, stating:

"Mr. Speaker, in case people didn't know, this is the House's approach to students who may be troublesome in our schools. What this bill is saying is that if you're sixteen, we really don't care if you're in school. If you and your parents don't care, then we don't care.

"This bill has several assumptions. The first, by drawing a line at the age of sixteen, that every sixteen year old is of equal maturity, as if there is some magic to the age of sixteen.

"Second assumption. This bill assumes that there will be significantly -- significantly -- more money for alternative programs. It is a hope and a wish that somehow money will drop out of the sky and we will have an entire parallel system for sophomores through seniors who, for whatever reason, decide they don't want to be in school. Let's clarify that.

"This bill does not target only the disruptive child, this bill takes as a class everyone above the age of sixteen and says, it is the state policy that if you want to leave, go ahead. Society has no interest in that decision.

"This bill assumes that sixteen year olds who do not plan on going to college -- and three quarters don't -- that these sixteen year olds will not ask themselves the question, 'Why should I be here?' This bill assumes that large numbers of students will not feel that their classrooms are not interesting enough. Well, this bill also assumes that no significant number of youths sixteen, seventeen, eighteen will become involved in vandalism, in games, in chemical dependency, car theft, whatever. This bill assumes that parents who are less responsible than others will not urge their kids to quit school to go get a job.

"This bill assumes that the exit of a large number of children entering the job market will not compromise our already shaky proposition, that every welfare recipient can get a job. In fact, one would assume a fairly large number of youths competing for the low-wage jobs that we now envision, as the answer to those who need public assistance.

"This bill assumes that sixteen year olds who are in school already appreciate all the value of education. And I would like to ask everyone here to think back to their high school days of how often we had those thoughts and we thought it was a waste of time, and how often later on we thought, boy, I'm glad I stayed in school. I'm glad they made me stay in school. We know that young people's behavior is short-term oriented; we're going to live forever; the long term is not of concern ... this is a chronic problem for the rich and poor in our schools.

"And we are saying with this bill that the notion that some folks are too disruptive, that that's enough -- that's enough for us to say, as a public policy, sixteen, and we don't care. Oh, there are parts of this bill that ask for a study. There are parts of this bill that push back the deadline, but I would point out that in order for us to even derail this in the future, and no one knows who's going to be here in the future -- it would be presumptuous to think that the same players are going to be in the same position -- that in the future, it would take an act of both the House and the Senate, and the signing of the Governor, to stick the 'toothpaste' back in the tube. Once we declare that sixteen year olds do not need to be someplace, preferably in school, what kind of a signal have we sent to the entire population? And I can't believe that if there's a significant exit from the school system, that those cute little formulas we put into place as

to how many resources go to schools, that those aren't going to be affected and, by golly! some teachers may find themselves without students and without jobs.

"The assumption that this is merely an attempt to deal with disruptive students, I think is wrong not because of the intent, but because of the reality of what's in this bill. It doesn't say, if we have the resources. It does not say the Superintendent and the principal and others can opt for alternative programs and they should if some was disruptive. NO! It says, that choice is out of the school, is out of the communities' hands, is out of the police hands. That's choice, that's the personal family choice. And if that family is dysfunctional, what is the likelihood that that student who desperately -- desperately -- needs to acquire the basic skills, especially if they're not going on to college, that person needs to stay in school even more. That person is going to end up on the streets.

"So I would urge all of you to think about the assumptions embedded in this bill; to think about those children who will say to us ... gee, they have given up on us; they've given up on trying to educate us; they don't even come up with mandatory alternative programs. They just said -- sixteen -- aloha! I don't think this is a well-crafted approach.

"The notion of how we deal with disruptive youth is one that deserves continued discussion. Give high credit to the Committee on Education and the Chair for insisting that we have it. But this bill is not the kind of policy we can stand up and be proud of. With all the crime being committed, primarily by youthful offenders, we have said to our communities -- hey, there's going to be more out there. And we have no guarantee that anyone who is disruptive will be required to be in some program that will help them straighten out their lives.

"For this reason, I would urge all of you to take a second look and to vote no.

"Thank you."

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

"Mr. Speaker, I certainly can't bring the same kind of eloquence to a support of the bill that I just heard from the Representative who preceded me in arguing against it. I would only suggest that the motivation for this bill has to do with responding to the concerns that have been raised by people who are at the school level in our secondary schools -- students, principals, vice principals and teachers -- who say that we need to take drastic steps to ensure that our students are able to learn in an environment that is conducive to the optimal learning that they can do.

"I would also ask that the speaker before me work with me since he serves on the Education Committee, to respond to the concerns that he has raised as we consider a bill that is likely to come over from the Senate, and as we move towards discussion of this matter in conference as well.

"Thank you very much, Mr. Speaker."

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

"As the introducer of this bill, Mr. Speaker, the very reason why I came out with this measure is because of the fact that since I came from the Philippines, I have lived in Kalihi for the last seventeen years. I have been involved with these kids. I have been involved with forums involving parents, children and also the greater

community. I have talked with the principals, I have talked with the teachers, and they found out that there are kids who are really a problem in the classroom. Because of that, I decided definitely that something must be done here. There are students who are so much concerned in pursuing their studies and they are being disrupted because of the few number of students who are going to stifle their education. I believe that we have to sacrifice something to accomplish something. But when we say something about sacrificing, we are not totally ignoring those students or kids who are problematic.

"What we are trying to do with this bill is to make sure, like what the Chairman of the Education Committee's concern, we are coming out with some kind of program, something that will make sure that these students will eventually be able to go into different programs to address their concerns. Another thing is that my feeling in coming out with this bill is because of the fact that it is about time for parents to understand, for them to get involved with their children, especially at a very young age.

"And so, with all those information, Mr. Speaker, I believe very strongly, and I concur that there's so many things the first speaker said, and I believe so many things that he said, but I think this is something that we have to also address -- the issue of disrupting students.

"Again, Mr. Speaker, I, for one, am not totally ignoring disruptive students when it comes to participation and making sure that these students will go in the right direction because of the fact that I have been involved also in forums addressing even gang members. I was a participant of that on many occasions. These are the things that I am very much concerned about, and these are the very reasons why I am so much in support of this measure.

"Thank you very much, Mr. Speaker."

Representative Chun Oakland then rose to speak in support of the bill, with reservations, stating:

"Hearing the previous speakers and the intent of this particular bill, I, too, have gotten quite a bit of feedback from educators, as well as parents, of the disruptive nature of some of the children in school. However, I am hoping, as this bill goes through the process, that we do look at maybe not compulsory education age being reduced, but alternative learning settings being created.

"We had a wonderful opportunity. This morning, our Committee on Human Services heard resolutions where the National Guard has had much success in programs like the Hawaii Youth Challenge Program. And for youngsters that have been disruptive or didn't even go to school, they basically gave up on themselves, and parents gave up on them as well as the school. They basically turned around their lives through the experience in this particular program that we were listening about this morning.

"But I do hope that we consider alternative learning settings. Not all children, as people in general don't learn one way to the extent that we can excite them, to keep them loving learning, but having it in a way that they are best able to learn, to create programs in that way, to look at the child and how they learn best. I think that's a better way to go.

"Thank you, Mr. Speaker."

Representative Garcia then rose to speak in support of the bill, with reservations, stating:

"Like the Representative from Kalihi, this Representative from Waipahu shares the same kinds of problems with regard to students who are at-risk in our schools. My concerns center on what will happen with these children, as I still would like to refer to them. Should they not be in school and be left to their own devices in the greater community?

"I would appreciate though that as the bill goes through the process, in line with the previous speaker's determination that perhaps we should look at alternative learning sites, this bill is actually a perfect vehicle for the discussion that we have had last year centering on school-to-work transition centers. Your Representative from Kaneohe -- Ken Ito -- myself, and others have been working to preserve these kinds of programs for students who are even beyond at-risk, Mr. Speaker. These are the students who I am afraid practically have their tickets punched and are ready to pack their bags and go to OCCC.

"The school-to-work transition centers have been able to turn even these kinds of kids around, and I would like to see, as this bill goes through the process and according to the committee report, develop a plan to assist students to pursue a path that would lead to gainful employment or job training, and that the discussion on school-to-work transition centers picks up.

"Thank you very much, Mr. Speaker."

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

"In reading the bill for the first time, seeing that I am not on the subject matter committee, I have a big concern with the language on page 3, lines 14 through 17, and I suppose, before we vote, hopefully, I would get a clarification and if you might indulge a question to the Chair of the subject matter committee. My question is. . .

"The Chair interrupted and said:

"Representative, this is only Second Reading. At the end of session, I believe you can easily go across and ask him the question, if you don't mind."

Representative Kawanakoa responded:

"In that case, I will just simply note the concern with the grammatical correctness, or the intent of lines 14 through 17, and whether or not the students that have arrived at the age of sixteen years and choose not to attend school, whether the intent is that they shall have the consent of their mother and father by simply making that determination. Or does it require them to get the consent of their mother and father or a guardian before they leave school at the age of sixteen. That's my concern."

Representative Kahikina then rose to speak in support of the bill, with reservations, stating:

"Mr. Speaker, I would like to encourage the Education Chair and my colleague from Kalihi to realize that as they pass this measure along, that we really are lowering the accountability because our State and the Department of Education has the accountability and responsibility to educate our children. I would like for them to, just for point of information, that the policies of the Department of Education already afford sixteen year olds to a waiving system to leave school with parents permission, and that we really need to look at the Department of Education and look at what kind of teachers we have in our classrooms. I would like for them to investigate that

and also of all the things that have been said to the opposition and those who stood before you with reservations.

"Thank you."

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

"I am very pleased to see that this is coming from our newest member. I thought it was the Lex Brodie bill because if you remember when Lex Brodie went out to do his school inspections, the first thing that was so apparent was, without respect and discipline, no education takes place. I take into consideration all the flaws and the placements and the remedial things that need to be done.

"But the essence is, Mr. Speaker and colleagues, we've all wanted excellence in education in Hawaii. If we are going to get close to excellence in education, there has to be an environment conducive to learning. Discipline is basic; it's like the 3R's. It's fundamental, and I think we have to work towards that. This is a vehicle by which we can get in that direction.

"I think if we want excellence and if we're going to have an economy and a world-class place, we've got to have a world-class educational plan. We can't have education with what is going on now in our classrooms.

"Thank you, Mr. Speaker."

Representative Halford then rose to speak in support of the bill, with reservations, stating:

"I want to compliment the Education Chair for having the courage to keep this bill going. I think if you look at the committee report, maybe the number 'with reservations' exceeded the yes and noes together, but a lot of good things have already been said and I don't want to reiterate them.

"But I did want to mention one thing that has not yet been said, and that is that the school time is a very valuable, precious time and important for all of the students who go to school. In terms of the whole year, the number of hours spent in school is slightly more than ten percent of a student's time. I think that the intent that brought this bill into form was to consider those students that do want to get the most out of that ten percent of their time in their lives.

"This bill also, I think, reiterates that we do have problems in our schools, that the Department of Education could use improvements, and that we do need to consider the time and efforts and future of all of our students, including those that want to be there to learn.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2515, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COMPULSORY SCHOOL ATTENDANCE," passed Second Reading and was placed on the calendar for Third Reading with Representative Shon voting no.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 767-96) recommending that H.B. No. 3249 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3249, entitled: "A

BILL FOR AN ACT RELATING TO COMMUNITY SERVICE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Stegmaier, for the Committee on Education, presented a report (Stand. Com. Rep. No. 768-96) recommending that H.B. No. 3252, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3252, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RECODIFICATION OF THE EDUCATION STATUTES," 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. 769-96) recommending that H.B. No. 2502, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2502, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FINANCES," 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. 770-96) recommending that H.B. No. 2709, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2709, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AN EMERGENCY AND BUDGET STABILIZATION FUND," 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. 771-96) recommending that H.B. No. 3135, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3135, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL OBLIGATION 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. 772-96) recommending that H.B. No. 3387, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3387, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CLAIMS AGAINST THE STATE," 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. 773-96) recommending that H.B. No. 3388, as amended in HD 1,



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

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3388, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," 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. 774-96) recommending that H.B. No. 3389, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3389, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MUNICIPAL LEASES," 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. 775-96) recommending that H.B. No. 3800 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3800, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR IMMIGRANT SERVICES," 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. 776-96) recommending that H.B. No. 3823, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3823, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Thielen.

Representative Shon rose and asked the Clerk to cast a no vote for him, and the Chair "so ordered."

Representative Ward then rose and said:

"Mr. Speaker, I know you said it's Second Reading, but there's a very important question to be asked about this furlough program as to whether it involves we elected officials. Would that be appropriate to ask the subject chair?"

The Chair answered:

"Representative Ward, you are a member of the Finance Committee. It came through that committee. If you don't mind, why don't you ask the Chairman when this is over."

Representative Ward responded:

"It went in both directions, Mr. Speaker."

The Chair answered:

"Representative, please don't ask the question across the Chairman. This is Second Reading. I'll call for a recess, if you wish, but not across the Chair."

Representative M. Takai then rose and asked the Clerk to register a no vote for him, and the Chair "so ordered."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3823, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Shon and Takai voting no.

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 777-96) recommending that H.B. No. 3964, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3964, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE GOVERNMENT," 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. 778-96) recommending that H.B. No. 4111, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4111, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PURCHASES OF SERVICE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 779-96) recommending that H.B. No. 2521, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2521, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC ABUSE PROTECTIVE ORDERS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 780-96) recommending that H.B. No. 3216, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3216, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC VIOLENCE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 781-96) recommending that H.B. No. 3496, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3496, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DRUG DEMAND REDUCTION ASSESSMENTS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 782-96) recommending that H.B. No. 3666, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3666, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NUISANCE ABATEMENT," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 783-96) recommending that H.B. No. 3623, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3623, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM COMMERCIAL CODE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 784-96) recommending that H.B. No. 3148, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3148, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE COMPANIES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 785-96) recommending that H.B. No. 3785, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3785, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 786-96) recommending that H.B. No. 3818, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3818, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BANKS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Menor, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 787-96) recommending that H.B. No. 3393, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3393, HD 1,

entitled: "A BILL FOR AN ACT RELATING TO THE CODE OF FINANCIAL INSTITUTIONS," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 788-96) recommending that H.B. No. 3641, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3641, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PLANNED COMMUNITY ASSOCIATIONS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 789-96) recommending that H.B. No. 1866, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 1866, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Thielen.

Representative Takai rose and asked the Clerk to cast an aye with reservations for him, and the Chair "so ordered."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1866, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC AGENCY MEETINGS," passed Second Reading and was placed on the calendar for Third Reading. (Representative Takai voted aye with reservations.)

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 790-96) recommending that H.B. No. 2802 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2802, entitled: "A BILL FOR AN ACT RELATING TO TORTS," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 791-96) recommending that H.B. No. 3151, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3151, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 792-96) recommending that H.B. No. 3725, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the

Committee was adopted and H.B. No. 3725, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," passed Second Reading and was placed on the calendar for Third Reading.

### THIRD READING

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

#### H.B. No. 3515:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3515, entitled: "A BILL FOR AN ACT RELATING TO THE OCCUPATIONAL SAFETY AND HEALTH LAW," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

#### H.B. No. 2862:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2862, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT ORDERS," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

#### H.B. No. 2863:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2863, entitled: "A BILL FOR AN ACT RELATING TO LAND COURT REGISTRATION," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

#### H.B. No. 3227:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3227, entitled: "A BILL FOR AN ACT RELATED TO INSURANCE," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

#### H.B. No. 3394:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3394, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS DEVELOPMENT CORPORATIONS," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

#### H.B. No. 3396:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3396, entitled: "A BILL FOR AN ACT RELATING TO ESCROW DEPOSITORIES," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

#### H.B. No. 3398:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3398, entitled: "A BILL FOR AN ACT RELATING TO CHARITABLE SOLICITATIONS," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

#### H.B. No. 3430:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3430, entitled: "A BILL FOR AN ACT RELATING TO SOLICITORS," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

#### H.B. No. 3400:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3400, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

#### H.B. No. 3413:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3413, entitled: "A BILL FOR AN ACT RELATING TO INJUNCTIONS," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

#### H.B. No. 3414:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3414, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE ADVERTISING," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

#### H.B. No. 3417:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3417, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INDUSTRY LICENSING," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

#### H.B. No. 3404:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3404, entitled: "A BILL FOR AN ACT RELATING TO MEDICARE SUPPLEMENT INSURANCE POLICIES," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

#### H.B. No. 3653:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3653, entitled: "A BILL FOR AN ACT RELATING TO HARASSMENT," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

#### H.B. No. 3410:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3410, entitled: "A BILL FOR AN ACT RELATING TO SALES," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

#### H.B. No. 3412:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3412, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE REPAIRS," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

**H.B. No. 3416:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3416, entitled: "A BILL FOR AN ACT RELATING TO CITATIONS FOR UNLICENSED ACTIVITY," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

**H.B. No. 2446:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2446, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARES," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

**H.B. No. 3347:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3347, entitled: "A BILL FOR AN ACT RELATING TO INTERPRETATION OF STATUTES," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

**H.B. No. 3491:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3491, entitled: "A BILL FOR AN ACT RELATING TO PARKING FOR PERSONS WITH DISABILITIES," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

**H.B. No. 3592:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3592, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives McMurdo, Takamine and Tarnas being excused.

The Chair directed the Clerk to note that H.B. Nos. 3515, 2862, 2863, 3227, 3394, 3396, 3398, 3430, 3400, 3413, 3414, 3417, 3404, 3653, 3410, 3412, 3416, 2446, 3347, 3491 and 3592 had passed Third Reading at 4:57 o'clock p.m.

**INTRODUCTION OF RESOLUTIONS**

By unanimous consent, the following resolutions (H.R. Nos. 70 to 74) and concurrent resolutions (H.C.R. Nos. 62 to 68) were offered and referred to committee:

H.R. No. 70, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO STUDY WAYS TO DEVELOP AND IMPROVE THE ECONOMY OF THE BIG ISLAND," was jointly offered by Representatives Lee, Herkes, Tarnas, Hamakawa, Takai, Yonamine, Morihara, Isbell, White, Shon, Marumoto, Cachola, Chang, Takamine, Santiago, Anderson, Hiraki and Takumi.

Referred to: Committee on Economic Development and Business Concerns, then to the Committee on Finance.

H.R. No. 71, entitled: "HOUSE RESOLUTION REQUESTING THAT THE HOUSE LEGISLATIVE RESEARCH BUREAU UNDERTAKE A STUDY TO DETERMINE THE BENEFITS OF, AND THE BARRIERS TO GROWING INDUSTRIAL HEMP AS AN AGRICULTURAL PRODUCT," was jointly offered by Representatives Chang, Tarnas and Thielen.

Referred to: Committee on Agriculture, then to the Committee on Legislative Management.

H.R. No. 72, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF PUBLIC SAFETY TO EVALUATE THE POSSIBILITY OF EXPANDING THE KASHBOX SUBSTANCE ABUSE PROGRAM TO KULANI CORRECTIONAL FACILITY," was jointly offered by Representatives McMurdo and Case.

Referred to: Committee on Public Safety and Military Affairs, then to the Committee on Finance.

H.R. No. 73, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO DEVELOP AN OVERALL HEALTH TOURISM STRATEGY FOR THE STATE OF HAWAII," was jointly offered by Representatives Cachola, Chang, Lee, Swain and White.

Referred to: Committee on Tourism, then to the Committee on Health, then to the Committee on Finance.

H.R. No. 74, entitled: "HOUSE RESOLUTION REQUESTING THE BOARD OF LAND AND NATURAL RESOURCES TO REPEAL THE REGULATORY RESTRICTION PLACED ON THE USE OF SINGLE FAMILY DWELLINGS IN THE CONSERVATION DISTRICT FOR RENTAL PURPOSES," was jointly offered by Representatives Arakaki, White, Tarnas, Chun, Oakland, Kahikina, Amaral, Okamura, Herkes, Garcia, Hamakawa, Meyer, Anderson, Ito, Saiki, Suzuki, Stegmaier, P. Oshiro, Kanoho, Halford, Menor and Yamane.

Referred to: Committee on Hawaiian Affairs and Housing, then to the Committee on Water and Land Use Planning.

H.C.R. No. 62, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO STUDY WAYS TO DEVELOP AND IMPROVE THE ECONOMY OF THE BIG ISLAND," was jointly offered by Representatives Lee, Herkes, Tarnas, Hamakawa, Takai, Yonamine, Chang, Cachola, Morihara, Isbell, White, Shon, Marumoto and Takamine.

Referred to: Committee on Economic Development and Business Concerns, then to the Committee on Finance.

H.C.R. No. 63, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THAT THE HOUSE LEGISLATIVE RESEARCH BUREAU UNDERTAKE A STUDY TO DETERMINE THE BENEFITS OF, AND THE BARRIERS TO GROWING INDUSTRIAL HEMP AS AN AGRICULTURAL PRODUCT," was jointly offered by Representatives Chang, Tarnas and Thielen.

Referred to: Committee on Agriculture, then to the Committee on Legislative Management.

H.C.R. No. 64, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF PUBLIC SAFETY TO EVALUATE THE POSSIBILITY OF EXPANDING THE KASHBOX SUBSTANCE ABUSE PROGRAM TO KULANI CORRECTIONAL FACILITY," was jointly offered by Representatives McMurdo and Case.

Referred to: Committee on Public Safety and Military Affairs, then to the Committee on Finance.

H.C.R. No. 65, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE AUDITOR TO INVESTIGATE CONDITIONS AND STANDARDS OF THE MEDICAL SYSTEM WITHIN THE STATE CORRECTIONAL SYSTEM," was jointly offered by Representatives McMurdo and Case.

Referred to: Committee on Public Safety and Military Affairs, then to the Committee on Legislative Management.

H.C.R. No. 66, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE OFFICE OF YOUTH SERVICES TO DEVELOP A PROGRAM THAT PAIRS COLLEGE STUDENTS WITH DELINQUENT YOUTHS TO TRACK THEIR PROGRESS AND SERVE AS MENTORS AND ROLE MODELS," was jointly offered by Representatives McMurdo and Case.

Referred to: Committee on Human Services, then to the Committee on Higher Education and the Arts, then to the Committee on Finance.

H.C.R. No. 67, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO DEVELOP AN OVERALL HEALTH TOURISM STRATEGY FOR THE STATE OF HAWAII," was jointly offered by Representatives Cachola, Chang, Lee, Swain and White.

Referred to: Committee on Tourism, then to the Committee on Health, then to the Committee on Finance.

H.C.R. No. 68, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE BOARD OF LAND AND NATURAL RESOURCES TO REPEAL THE REGULATORY RESTRICTION PLACED ON THE USE OF SINGLE FAMILY DWELLINGS IN THE CONSERVATION DISTRICT FOR RENTAL PURPOSES," was jointly offered by Representatives Arakaki, White, Tarnas, Chun Oakland, Kahikina, Amaral, Okamura, Herkes, Garcia, Hamakawa, Saiki, Meyer, Anderson, Ito, Suzuki, P. Oshiro, Kanoho, Halford, Menor, Stegmaier and Yamane.

Referred to: Committee on Hawaiian Affairs and Housing, then to the Committee on Water and Land Use Planning.

By unanimous consent, the following resolutions (H.R. Nos. 75 to 77) and concurrent resolutions (H.C.R. Nos. 69 to 72) were referred to printing and further action was deferred:

H.R. No. 75, entitled: "HOUSE RESOLUTION REQUESTING THE GOVERNOR AND THE DEPARTMENT OF HEALTH TO CONSIDER MAKING PERMANENT THE PILOT PROJECT GRANTING

AUTONOMY TO THE STATE'S COMMUNITY HOSPITALS," was offered by Representative Ward.

H.R. No. 76, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO UTILIZE THE LEARNING CENTER PROGRAM TO PROMOTE RESPONSIBLE, PROFITABLE ENTREPRENEURSHIP IN THE PUBLIC SCHOOL SYSTEM," was offered by Representative Ward.

H.R. No. 77, entitled: "HOUSE RESOLUTION URGING CONGRESS TO MANDATE THE U.S. FEDERAL RESERVE SYSTEM TO ADOPT A FULL EMPLOYMENT POLICY," was offered by Representative Shon.

H.C.R. No. 69, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE GOVERNOR AND THE DEPARTMENT OF HEALTH TO CONSIDER MAKING PERMANENT THE PILOT PROJECT GRANTING AUTONOMY TO THE STATE'S COMMUNITY HOSPITALS," was offered by Representative Ward.

H.C.R. No. 70, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO UTILIZE THE LEARNING CENTER PROGRAM TO PROMOTE RESPONSIBLE, PROFITABLE ENTREPRENEURSHIP IN THE PUBLIC SCHOOL SYSTEM," was offered by Representative Ward.

H.C.R. No. 71, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE STATE AUDITOR TO IDENTIFY THE FACTORS, CONDITIONS, AND FISCAL MANAGEMENT PRACTICES THAT GAVE RISE TO THE STATE'S CURRENT BUDGETARY SHORTFALL," was offered by Representative Ward.

H.C.R. No. 72, entitled: "HOUSE CONCURRENT RESOLUTION URGING CONGRESS TO MANDATE THE U.S. FEDERAL RESERVE SYSTEM TO ADOPT A FULL EMPLOYMENT POLICY," was offered by Representative Shon.

At 4:58 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 5:07 o'clock p.m., Representative Say rose and requested waiver of the 48-hour hearing notice requirement for the Finance Committee members to have decision-making on H.B. No. 2452, HD 2, relating to the public employees health fund, "immediately after we have recess, in the Majority Caucus Room," and the Chair "so ordered."

Representative Thielen then rose on a point of information and asked:

"Will the Majority Caucus Room be open to the public so decision-making can be in the public?"

The Chair responded in the affirmative.

Representative Thielen thanked the Chair.

#### STANDING COMMITTEE REPORTS

Representatives Menor and Tom, for the Committees on Consumer Protection and Commerce and Judiciary, presented a joint report (Stand. Com. Rep. No. 793-96) recommending that H.B. No. 2524, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2524, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LICENSING," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 794-96) recommending that H.B. No. 3637, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3637, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNIFORM PROBATE CODE," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Menor, Tom and Say, for the Committees on Consumer Protection and Commerce; Judiciary; and Finance, presented a joint report (Stand. Com. Rep. No. 795-96) recommending that H.B. No. 3403, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3403, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Menor, Tom and Say, for the Committees on Consumer Protection and Commerce; Judiciary; and Finance, presented a joint report (Stand. Com. Rep. No. 796-96) recommending that H.B. No. 3391, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3391, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES," passed Second Reading and was placed on the calendar for Third Reading.

Representatives Shon and Takamine, for the Committees on Energy and Environmental Protection and Water and Land Use Planning, presented a joint report (Stand. Com. Rep. No. 797-96) recommending that H.B. No. 2889 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 2889, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," passed Second Reading and was placed on the calendar for Third Reading.

Representative Shon, for the Committee on Energy and Environmental Protection, presented a report (Stand. Com. Rep. No. 798-96) recommending that H.B. No. 3793, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3793, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENDANGERED SPECIES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Tom, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 799-96) recommending that H.B. No. 2366, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 2366, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Thielen.

Representative Garcia rose to ask the Clerk to register an aye vote with reservations, and the Chair "so ordered."

Representative Garcia continued, saying:

"Mr. Speaker, I would like to think that policy guides procedure in regards to the way we run the House, and I have seen today an example where the opposite has come true. For this Representative, and I can't say for the others, I have yet to have it explained to me adequately why it is that we went through this exercise this afternoon and to have this matter come before this House for this occasion. I would have liked to see, perhaps in Majority caucus, for the leadership to explain how it is that we have now had a policy shift with regard to this issue.

"Let me state for the record that I am against same-sex marriage. That was said for political expediency perhaps by some who view this, but I am afraid that as this issue and others related to it move through the process, I will probably go down even further than Dante's inferno.

"I don't believe that amending the State Constitution is the proper tool by which we address this issue, Mr. Speaker. Too many times I have seen people try to use this Constitution and the United States Constitution to deal with issues that it cannot bring itself to deal with in calm, reasonable debate and to arrive at a consensus.

"The Constitution should not be used to deal with an emotional issue such as this, and that is why I state my reservations. I would hope that as this issue moves forward -- and I understand the Senate has its own version of how to deal with this and it will be putting it to a vote on the floor next week -- that reasonable men and women can come together and decide how we should deal with an issue that seems to have captivated many of us here on the floor, in that gallery, and in the greater community. Perhaps our decision today to move with undue haste was made after a rather emotional visit at the Capitol yesterday, but I don't like to think this body has to react or vote accordingly because some people seem to have a problem with the way this Legislature is perhaps proceeding on this issue.

"For that and many other reasons, Mr. Speaker, I will vote aye but with reservations with regard to this measure.

"Thank you."

Representative Amaral then rose to speak in support of the measure, with reservations, stating:

"Mr. Speaker, contrary to what others may believe, actually I enjoyed yesterday very much. I enjoyed meeting with my constituents and having a long discussion about same-sex marriage with them. I enjoyed reading the Constitution with them because, actually, I find this to be a very special document that I love, and understanding together that we may have a difference in philosophy, or we may have a difference of opinion with respect to this, but that we have the right to disagree, and that right is protected by that Constitution.



"My reservations, Mr. Speaker, about this measure is that it is the first step towards eroding some of those basic rights that we have fought for. I am concerned, Mr. Speaker, that when we create a constitutional amendment that asks the question that marriage be defined as a union between man and woman, that we raised the constitutional issue of treating individuals differently because of their gender, and I ask that you just think about that for a while, members, because you see, Article I, Section 3 of the Constitution, provides that no rights shall be abridged or denied by this State on account of sex.

"Article I, Section 5, says that no person in this State shall be deprived of life, liberty, property, without due process of law, nor denied equal protection because of their sex.

"Then, Article I, Section 6, says that the rights of people are private and recognized as that, and that the State cannot infringe upon that privacy without a compelling state interest.

"Those are very precious sections of Article I, sections that have, in fact, granted me a great deal of liberty to be able to move forward in a non-traditional job in the Police Department that would not otherwise be available to me; that have granted me the liberty to be able to get equal credit with men, to be able to take out mortgages with men, to be able to enter into pubs with men, simply because my rights cannot be abridged based only upon sex. And now we create an anomaly potentially by amending the Constitution to deal with this issue because of the gender of other people.

"Perhaps this measure moves, Mr. Speaker, so that the conversation can continue and so that the best intentions of men and women, the best thinking of men and women, regardless of our religion, regardless of what our persuasion is, that the best intentions bring to fruition the wholeness of all of us -- all of us. That is the reason I support this measure moving forward, Mr. Speaker. I think the conversation must continue in a rational, respectful way, and I hope that at the end of this long journey we are going to take together, that when people step out of this process, they remain whole, intact, and respected.

"Thank you, Mr. Speaker."

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

"Mr. Speaker, I believe the Constitution is a sacred document, one that should not be taken lightly nor one that we should treat trivially. However, there's probably seven constitutional amendments already within what we're going to pass over to the Senate. We've got such mundane, more important things as the Hurricane Relief Fund of which we've got to have a constitutional amendment in order to get revenue bonds. We make constitutional amendments in order to have an appointed Board of Education; we've had constitutional amendments for numerous things, so we are always playing with the Constitution.

"However, and in these issues, is this issue really the one we're afraid to put before the people? Do we have initiative and referendum, Mr. Speaker, in the State of Hawaii? We don't. If we did, we probably wouldn't have to be doing what we are in effect doing today.

"But I think we should all remember that we have not initiated on our own this issue. This has come from on high -- the third branch of government, the Judiciary, as

one of the branches of government -- by which by their superior, technical and legal knowledge have said technically, you -- the policymakers -- cannot deny members of the same sex, marital rights. Technically and legally, they are correct. However, when those rights are put into motion, Mr. Speaker, those become institutional, they become behavioral, which then comes into our kuleana, and marriage rights become legislative rights.

"Had the Supreme Court not said anything about this, who knows what would have evolved gradually, surely and with sure footedness as we did in 1992 with sexual orientation in the work place? But they precipitated this to the extent where it used to be 80 percent of all of you who are lawyers or who have legal opinions said, 80 percent -- for sure July 1996 -- it's a slam dunk. I heard from a very, very high reliable source that has the ear of all of the best legal minds in Hawaii said, it's a 100 percent sure that come 1996, July or August, same-sex marriage is a done deal.

"Mr. Speaker, has our hand not been forced to do something rather than say that we deny a hundred percent accuracy from our legal profession? Are we so naive not to listen to even an 80 percentile? Should we do nothing?

"So if we are preempting anything, it's perhaps reacting to what otherwise are the realities on the mat, and the realities of which the public with a 71 percent encouragement factor are saying, don't do this to us, do what powers you have by the Constitution, or change the minds of the Judiciary in some fashion other than what we've done. And we passed in 1994 a legislative act defining marriage that was not technically compelling. So, Mr. Speaker, what have we left to do than what we are doing now?

"Thank you very much for listening."

Representative Pepper then rose to speak in opposition to this measure, stating:

"Mr. Speaker, I met my responsibilities to represent my constituents and what I believe their majority belief is by asking the Chair of the Judiciary to bring this measure to the floor.

"I now proudly meet my other responsibility to my constituents by trying to lead them and to lead my colleagues to a position which respects our Constitution, which holds it forth as a banner to lead us into a future of respect and dignity for all people, a banner which protects us all -- majority and minority.

"I stand proudly in opposition to this measure.

"Thank you, Mr. Speaker."

Representative Meyer then rose and stated:

"Mr. Speaker, I rise proudly to say that I am in favor and very grateful that the Chairman of the Judiciary Committee saw fit to pass this measure out of his committee. I personally feel that as legislators, we would have been remiss had we done nothing. If we had left this issue to just let it die -- that was my greatest fear.

"I feel very proud to be a part of this body today. I hope that we will have a majority of Representatives that will vote in favor of passing this amendment and moving it on to the other chamber.

"Thank you, Mr. Speaker."

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

"I simply wanted to note that for the last month, I would say, I have been trying to get to my colleagues, the newspapers, my constituents, the churches, the homosexual community, to discuss with them my concern with regard to same-sex marriage. While I don't support same-sex marriage, I did believe that we should have open discussion, and it is my belief that if this Legislature takes no action, that will equate to court sanction of same-sex marriage.

"For this Representative, I am not in support of same-sex marriage. I had hoped that we might find a more appropriate measure to take besides the constitutional amendment and perhaps move forward with a family partnership which would not focus on the sexuality between family partners but simply afford any family, any two people, whether that may be a widowed grandmother and her elderly daughter, entering into some sort of partnership to take care of each other for the rest of their lives and be afforded the same economic benefits.

"I believe it was a more rational way to approach not only this court mandated dilemma, but also an appropriate role for government to take. Instead of getting into the moral question, I think it's more appropriate for the Legislature to focus on the societal norm of family units and supporting what is otherwise a stabilizing factor in our communities which would be the support of family units and to stay out of the realm of one's sexual orientation, or perhaps even religious orientation.

"With that, I would support this bill so that we can have further discussion once we meet in conference with the Senate.

"Thank you, Mr. Speaker."

Representative Hamakawa then rose and asked that the Clerk cast a no vote for him, and the Chair "so ordered."

Representative Case then rose and asked the Clerk to cast a no vote for him, and the Chair "so ordered."

Representative Case continued, saying:

"Briefly, Mr. Speaker, I wish to incorporate the remarks of the Representatives from Waipahu, Makakilo and Foster Village, both on the procedural misuses that we have seen today and on the substance of the pending measure.

"I also wish to disassociate myself from the statements set forth in the committee report, and ask that each member of this body read that committee report very carefully, particularly the second page, where there are various statements made about the role of the Supreme Court, the role of our Constitution, and the role of our citizenry in our society. And over the weekend, I hope all of my colleagues consider this question very carefully: If these statements are true, how is it that minorities in our society, who just happen to be different from most of the rest of us, will find some protection to live their lives as they choose?

"Thank you."

Representative Chun Oakland then rose and asked the Clerk to cast a no vote for her, and asked that the words of the Representative from Manoa be entered into the Journal as her own, and the Chair "so ordered." (By reference only)

Representative Saiki then rose with "disbelief on this bill" and asked the Clerk to cast a no vote for him, and the Chair "so ordered."

Representative Hiraki then rose to speak in support of the bill, with reservations, stating:

"I just want to point out the procedural abuses in this bill that has happened. We go through the whole process -- public hearings. There's a lot of interest in this bill -- it's a very important bill. But what happens here today? We rush through, get a waiver for decision-making, members get herded out to a room on the third floor, rushed decision-making, committee reports probably already done before the hearing. What about the process here? That's what's really troubling about what happened this afternoon. There's no reason why we had to rush it -- what's the rush? Why do we have to go through this? Every year, at the beginning of session, we talk about the process. How can we make the process better? How can we give the public more notice? How can we really make people cognizant. . .

At this point, the Chair interrupted and asked Representative Hiraki to "please confine yourself to the discussion on the merits or demerits of this respective bill and not to the process."

Representative Hiraki stated:

"Just to summarize then. I think we have to be more respectful of the process here.

"Thank you."

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

"I respect all the comments by the previous Representatives although they may not have been in mine.

"But secondly, my concern is that the Constitution is a document that should expand the rights of people rather than diminish them. I think this bill has the potential to do that, and for that I have some very strong reservations.

"Thank you."

At 5:28 o'clock p.m., Representative Shon asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 5:45 o'clock p.m.

Representative Nekoba then rose and stated:

"For the concern about procedural process that were expressed so eloquently by other members of the House, I would also like to register my reservations on this," and the Chair "so ordered."

Representative Shon then rose to register his no vote, and the Chair "so ordered."

Representative Shon continued, saying:

"I would ask that my colleagues ponder at least one issue with this, and that is that we have a multiplicity of religious traditions in the State. Yesterday, I had the delight of being lectured by visitors from the Mainland that our Buddhists really don't count in this State. Those who are not of various denominations do not count, and that various other religions -- Tenrikyo, whatever -- do not count in their view. I would beg to differ with that

perspective, and that is that our rainbow is truly superior to the conflicts which we have on the Mainland where passion and devotion to being correct and right yields not one inch and results in a tremendous amount of strife and violence.

"I have always felt that the great secret of Hawaii is that we are more tolerant of those we don't understand or even like, and it seems to me that for those who are struggling with this concept embedded in this constitutional provision, that they should think long and hard about how nosey the State will become in the rainbow of religions. Will the State say this religious ceremony is endorsed, that. . .

At this point, the Chair interrupted and stated:

"Representative, the contents of this amendment is not religion. Will you please confine yourself to the amendment?"

Representative Shon replied:

"Excuse me, Mr. Speaker, but as I interpret this, if a church performs a marriage that is not consistent with this amendment, it is prohibited, because this does not say, Mr. Speaker, the issuance of State marriage licenses. This does not speak to the issue of marriage licenses which is actually before the court. This speaks to marriage in the State and what will be illegal, and I would pose to you that there are churches in our State which have a different view and which are currently performing marriages that would be prohibited under this section.

"Now I always felt that it was our role to stand neutral in religious differences and I think, as worded here, if the intent is merely to restrict the issuance of State certificates of marriage or licenses, this language goes far beyond that. This language says to a church -- it's not your option. And I would caution about that kind of business.

"You know, a year ago we actually passed a proposal that said that senior citizens beyond the age of procreation could not be married because procreation was the basis of marriage. I think in the zealotness, in the zealotness that surrounds this issue, perhaps clear heads have not prevailed, even to accomplish the goals that many have stated that are behind us. This represents an overzealous, over-reaction, overreach, into the most private aspects of our religious traditions.

"Theologically, I have always been taught, Mr. Speaker, that it did not take the state to create a marriage. In fact, personally, I had been taught that it is God that creates the marriage and it is witnessed by the minister or priest or whomever, but this seems to presume that it is the State that creates it. I'm not really sure that that is the statement intended by the Judiciary Committee for those who want to restrict marriage licenses.

"This particular proposal has many dynamics to it, and as I said, I cannot support it, and I hope that as you mull over this over the weekend, that you think about how nosey we want to get, and how intrusive in the religious traditions. I think it's very important for us to recognize the great advantage we have in this State, that we have refrained -- that we have refrained -- from interfering in various religious practices.

"Now, if it were the case that only the states marriage license created a marriage, that would be one set of legal circumstances to be debated. But this does not speak about state marriage licenses. This speaks about personal behavior, religious beliefs, whether or not you agree with them or not. When is that the point? We are here to

objectively represent the entire public, and I would ask you to think seriously, those of you with very strong religious feelings, that the purpose of this amendment is propering your view, to think if your particular religious affiliation was a minority that did something that others disapproved of.

"You know, some religions disapprove of divorce, and in terms of social problems, divorce is a huge, huge social challenge to our society. And yet, we are not seeking to amend the Constitution to effect that, nor are we amending the Constitution to try to rectify promiscuous behavior of any sexual group.

"What we are trying to do by the language of this proposal is define for churches and anybody else what marriage is, even though churches are not mentioned. Churches often perform marriages and this says that some of those shall not be legal. I think all those who cherish our religious rainbow here ought to think carefully about whether or not one religious group can utilize this to impinge upon another. The great advantage we have is that we tolerate more and give people a little more slack because we realize that this community has been made up of many ethnic and religious traditions. Most, if not all, of the people sitting on this floor come from religious traditions that are different than the dominant one contained in the propositions put forth by our visitors yesterday, and I would hope that no one is voting for this because they are intimidated by what happened yesterday. Sadly, some have said they are, and the religious traditions deserve objective defense.

"Thank you."

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

"I know it's only Second Reading, but I would just like to make a few brief comments.

"Mr. Speaker, first of all, how many of you here got up during your stay here as legislators to ask for a waiver of the 48-hour rule to have hearings? I think that a lot has been said about the procedure. Many of you have asked for the waiver. No one complains. You know what the problem is? Many of us only complain about picking and choosing issues we want to complain about but disregard the fact that we do this all the time for hearings. . .

At this point, the Chair interrupted and said:

"Representative, will you please speak to the merits or demerits of the bill and not on procedures."

Representative Tom continued, saying:

"I just want to say that this was not an easy issue for me to bring up today. We've had hearings on this, we've had this matter for 2-1/2 years confront this Legislature. After the hearing, the Senate has found it necessary, and I think because of the fact that both houses -- both the House and the Senate -- agree on one thing, that marriage is between a man and a woman and there is a law to that effect. However, Mr. Speaker, the Senate has still found it compelling, at this late time, to recommend to send to this House a domestic partnership bill. In fact, the Senate was going to send down a domestic partnership and a constitutional amendment bill. I believe, as Representative Amaral, that it is time to continue the discussion because I think it is clear that everyone agrees to what we have done in both houses, that marriage is between a man and a woman, and I just wanted to say that.

"All this bill asks for is to ask for another vehicle for discussion as we discuss alternatives to what to do with this issue.

"Finally, Mr. Speaker, I just wanted to point out that it was certainly not an easy decision for me to bring this bill forward today on a decision-making after long hearings. Even as of last night as I slept, I had not made up my mind as to what I was going to do with this bill. But I realize today, as I soul-searched, that today was the deadline for bills and we had to give the number of vehicles possible for discussion, the number of options possible. The Senate has chosen to send us a vehicle and I think we must do likewise. I ask the members to please support this bill to further discussion on this matter.

"Thank you."

Representative Takai then rose and asked the Clerk to register a no vote for him, and the Chair "so ordered."

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

"I wanted to make two comments, that I am in support of this bill despite the process, but I wanted to also bring up a previous discussion regarding state and religion.

"My understanding of this bill is that it asks that the Constitution create a legal association reserved and I don't think religion has very much to do with this at all. If I could explain briefly, if I can, that in my perception, there are four sanctions of marriage, and in my view, the most important is the sanction that my wife and I conferred it upon ourselves.

"Secondarily, we ask our community, those that we know, who are around us, to see us in that fashion and to treat us as married.

"Thirdly, some people choose and some don't choose to have religious sanctions of their marriage. That's an option.

"Fourthly, we ask the State to sanction our marriages. I see them as distinct, and I don't see that the state's relationship to a marriage has any religious connotation whatsoever.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2366, HD 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO THE CONSTITUTION OF THE STATE OF HAWAII DEFINING MARRIAGE IN THE STATE OF HAWAII," passed Second Reading and was placed on the calendar for Third Reading with Representatives Case, Chun Oakland, Hamakawa, Pepper, Saiki, Shon and Takai voting no. (Representatives Amaral, Garcia, Hiraki, Kawanakoa, Nekoba and Takumi voted aye with reservations.)

#### ANNOUNCEMENTS

Representative Okamura: "This is just to inform the members that by 12:00 noon tomorrow, all of the decked bills and committee reports will be on your desks. Also, there will be a Majority caucus on Monday at 10:00 a.m. in Room 325."

Representative Thielen: "This is just to inform the Minority members that there will be a Minority caucus on Monday starting at 10:00 a.m. in our Caucus Room."

At this time, Representative Amaral moved to keep the Journal open until 12:00 o'clock midnight this legislative day for the purpose of receiving Standing Committee Reports and bills transmitted thereby.

At 6:02 o'clock p.m., Representative Thielen asked for a recess and the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 6:03 o'clock p.m., the motion was seconded by Representative Thielen and carried.

At 6:04 o'clock p.m., the House of Representatives stood in recess for the purpose of receiving Standing Committee Reports.

#### STANDING COMMITTEE REPORTS

In accordance with the motion made earlier, the following Standing Committee Reports (Stand. Com. Rep. Nos. 800-96 to 894-96) were received in the Clerk's Office up until 12:00 o'clock midnight this legislative day, and subsequent to its recessing at 6:04 o'clock p.m., the following actions were taken:

Stand. Com. Rep. No. 800-96 (JUD) and H.B. No. 593, as amended in HD 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE X, SECTION 2, OF THE HAWAII CONSTITUTION, TO ALLOW THE STUDENT MEMBER OF THE BOARD OF EDUCATION TO VOTE," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 801-96 (JUD) and H.B. No. 2972, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO COUNTY CIVIL FINES," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 802-96 (JUD) and H.B. No. 3283, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN SOVEREIGNTY," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 803-96 (JUD) and H.B. No. 3470, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO EXAMINATION CONSULTANTS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 804-96 (JUD) and H.B. No. 3529, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO AQUATIC RESOURCES," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 805-96 (JUD) and H.B. No. 3533, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO BOATING," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 806-96 (JUD) and H.B. No. 3580, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ADJUDICATION OF VEHICULAR TRAFFIC VIOLATIONS AT PUBLIC AIRPORTS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 807-96 (JUD) and H.B. No. 3601, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ABANDONED PROPERTY," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 808-96 (JUD) and H.B. No. 3603, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 809-96 (JUD) and H.B. No. 3618, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE RULES," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 810-96 (JUD) and H.B. No. 3638, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO STADIUMS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 811-96 (JUD) and H.B. No. 3763, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE STATE WATER CODE," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 812-96 (JUD) and H.B. No. 3862, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL DISCIPLINE," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 813-96 (JUD/CPC) and H.B. No. 2433, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIERS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 814-96 (JUD/CPC) and H.B. No. 2627, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 815-96 (JUD/CPC) and H.B. No. 2726, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE AUDITOR," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 816-96 (CPC) and H.B. No. 2575, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO OPTICIANS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 817-96 (CPC) and H.B. No. 3207, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 818-96 (HAH) and H.B. No. 2746, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO TASK FORCE FOR HAWAIIAN SERVICES," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 819-96 (WLP) and H.B. No. 2820, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 820-96 (WLP) and H.B. No. 2821, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONSERVATION

EASEMENTS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 821-96 (WLP) and H.B. No. 3173, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 822-96 (WLP) and H.B. No. 3602, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 823-96 (WLP) and H.B. No. 3604, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF LAND AND NATURAL RESOURCES," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 824-96 (WLP) and H.B. No. 4031, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ZONING," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 825-96 (WLP/EEP) and H.B. No. 4003, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO GREENWAYS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 826-96 (JUD/CPC) and H.B. No. 2694, entitled: "A BILL FOR AN ACT RELATING TO MOPEDS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 827-96 (JUD) and H.B. No. 3145, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 10, OF THE CONSTITUTION OF THE STATE OF HAWAII TO FORMALLY REFER TO THE AUDITOR AS THE LEGISLATIVE AUDITOR," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 828-96 (JUD) and H.B. No. 3333, entitled: "A BILL FOR AN ACT RELATING TO FEED," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 829-96 (JUD) and H.B. No. 3506, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE DRIVER LICENSING," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 830-96 (JUD) and H.B. No. 3724, entitled: "A BILL FOR AN ACT RELATING TO THE KAHOLAWE ISLAND RESERVE COMMISSION," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 831-96 (JUD) and H.B. No. 3812, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE SAFETY," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 832-96 (JUD) and H.B. No. 2731, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OMBUDSMAN," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 833-96 (JUD) and H.B. No. 2839, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO HUNTING," were placed

on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 834-96 (JUD) and H.B. No. 2895, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL PROTECTION," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 835-96 (EDN) and H.B. No. 2897, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 836-96 (FIN) and H.B. No. 3941, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO FOREST RESERVES," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 837-96 (FIN) and H.B. No. 3204, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO INVESTMENT OF STATE AGENCY FUNDS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 838-96 (FIN) and H.B. No. 3299, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEE STOCK OWNERSHIP PROGRAMS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 839-96 (FIN) and H.B. No. 3366, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM UNCLAIMED PROPERTY ACT," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 840-96 (FIN) and H.B. No. 3402, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE PREMIUM TAXES," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 841-96 (FIN) and H.B. No. 3427, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ACCREDITATION IN INSURANCE REGULATION," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 842-96 (FIN) and H.B. No. 3556, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE TAX LIABILITY OF CONTRACTORS CONTRACTING WITH THE STATE OR COUNTIES," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 843-96 (FIN) and H.B. No. 3560, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAX CREDITS TO FACILITATE REGULATORY OVERSIGHT BY THE INSURANCE COMMISSIONER," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 844-96 (FIN) and H.B. No. 3755, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 845-96 (FIN) and H.B. No. 3935, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEES," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 846-96 (FIN) and H.B. No. 4118, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO SMALL BOAT HARBORS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 847-96 (FIN) and H.B. No. 4144, as amended in HD 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 12, OF THE HAWAII CONSTITUTION, TO ALLOW THE USE OF SPECIAL PURPOSE REVENUE BONDS FOR THE HAWAII HURRICANE RELIEF FUND," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 848-96 (CPC) and H.B. No. 4085, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 849-96 (FIN) and H.B. No. 2882, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE CONVENTION CENTER," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 850-96 (FIN) and H.B. No. 3399, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 851-96 (FIN) and H.B. No. 3493, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO NEWBORN METABOLIC SCREENING," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 852-96 (FIN) and H.B. No. 3773, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN SOVEREIGNTY ELECTIONS COUNCIL," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 853-96 (FIN) and H.B. No. 3909, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD PROTECTIVE SERVICES," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 854-96 (FIN) and H.B. No. 3968, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION INSURANCE," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 855-96 (FIN) and H.B. No. 4025, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PAYMENT OF RETIREMENT BENEFITS BY THE EMPLOYEES' RETIREMENT SYSTEM AND COUNTY PENSION FUNDS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 856-96 (JUD) and H.B. No. 2902, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTORSPORTS INSURANCE," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 857-96 (JUD) and H.B. No. 3879, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE DATA," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.



Stand. Com. Rep. No. 858-96 (FIN) and H.B. No. 3383, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS AND MAKING AN APPROPRIATION FOR THE REIMBURSEMENT OF THE AIRPORT REVENUE FUND," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 859-96 (FIN) and H.B. No. 4063, entitled: "A BILL FOR AN ACT RELATING TO HIGHER EDUCATION," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 860-96 (FIN) and H.B. No. 757, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEVELOPMENT OF SCHOOLS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 861-96 (FIN) and H.B. No. 1999, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO BOILER AND ELEVATOR SAFETY LAW," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 862-96 (FIN) and H.B. No. 2319, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO RECONSTRUCTED MOTOR VEHICLES," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 863-96 (FIN) and H.B. No. 2859, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO SERVICES FOR THE INDIGENT," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 864-96 (FIN) and H.B. No. 2884, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE CONVENTION CENTER," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 865-96 (FIN) and H.B. No. 2995, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 866-96 (FIN) and H.B. No. 3064, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO RETAIL TOBACCO SALES," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 867-96 (FIN) and H.B. No. 3163, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR HAWAIIAN SOVEREIGNTY," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 868-96 (FIN) and H.B. No. 3169, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE STATEWIDE TRAIL AND ACCESS PROGRAM," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 869-96 (FIN) and H.B. No. 3302, as amended in HD 1, entitled: "A BILL FOR AN ACT PROPOSING THE REPEAL OF ARTICLE VII, SECTION 6, OF THE CONSTITUTION OF THE STATE OF HAWAII, WHICH REQUIRES THAT EXCESS REVENUES BE REFUNDED TO TAXPAYERS UNDER CERTAIN CONDITIONS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 870-96 (FIN) and H.B. No. 3306, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 871-96 (FIN) and H.B. No. 3308, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CLEAN HAWAII CENTER," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 872-96 (FIN) and H.B. No. 3446, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII - WEST OAHU," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 873-96 (FIN) and H.B. No. 3492, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ESTABLISHMENT OF THE HAWAII HEALTH SYSTEMS CORPORATION," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 874-96 (FIN) and H.B. No. 3512, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 875-96 (FIN) and H.B. No. 3619, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO APPROPRIATIONS AND CONTRACTS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 876-96 (FIN) and H.B. No. 3766, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENTAL ASSISTANCE," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 877-96 (FIN) and H.B. No. 3769, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO PERSONS DISPOSSESSED OR DISPLACED BY VOLCANIC ERUPTIONS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 878-96 (FIN) and H.B. No. 3789, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC CONTRACTS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 879-96 (FIN) and H.B. No. 3820, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO A SYMPOSIUM ON CRIME IN HAWAII," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 880-96 (FIN) and H.B. No. 3881, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR AGRICULTURAL RESEARCH AND DEVELOPMENT," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 881-96 (FIN) and H.B. No. 3915, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 882-96 (FIN) and H.B. No. 4096, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO COORDINATED CARE ORGANIZATIONS," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 883-96 (FIN) and H.B. No. 4117, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO STATE ENTERPRISE ZONES," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 884-96 (FIN) and H.B. No. 3954, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 885-96 (FIN) and H.B. No. 4131, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 886-96 (FIN) and H.B. No. 4132, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 887-96 (FIN) and H.B. No. 2452, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES' HEALTH FUND," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 888-96 (FIN) and H.B. No. 2505, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PROPERTIES," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 889-96 (FIN) and H.B. No. 3534, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENFORCEMENT," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 890-96 (FIN) and H.B. No. 3577, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION OF HAZARDOUS MATERIALS, HAZARDOUS WASTE, INFECTIOUS SUBSTANCES, AND MEDICAL WASTE," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 891-96 (FIN) and H.B. No. 3819, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM LIMITED LIABILITY COMPANY ACT," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 892-96 (FIN) and H.B. No. 3919, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 893-96 (FIN) and H.B. No. 4127, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

Stand. Com. Rep. No. 894-96 (FIN) and H.B. No. 4145, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HURRICANE RELIEF FUND," were placed on the calendar for Third Reading on Tuesday, March 5, 1996.

#### ADJOURNMENT

At 12:00 o'clock midnight, the House of Representatives adjourned until 9:00 o'clock a.m. on Tuesday, March 5, 1996.

## TWENTY-SIXTH DAY

Tuesday, March 5, 1996

The House of Representatives of the Eighteenth Legislature of the State of Hawaii, Regular Session of 1996, convened at 9:16 o'clock a.m., with the Speaker presiding.

The invocation was delivered by Mark L. Richardson of the University of Hawaii, after which the Roll was called showing all members present.

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

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

## GOVERNOR'S MESSAGE

Gov. Msg. No. 170, transmitting copies of the 1995 Annual Report prepared by the Natural Energy Laboratory of Hawaii Authority, pursuant to Chapter 227D, Hawaii Revised Statutes, as amended, was read by the Clerk and was placed on file.

At this time, Representative Marumoto, on behalf of Representatives Say, Saiki, Yamane and herself, introduced a group of senior citizens from the Kanewai Senior Center.

Representative Marumoto then introduced five Mainland visitors from Marshalltown, Iowa, as follows: Dr. Rufus Kruse and his wife, Dorothy Kruse; Julie Brewer, their daughter, and her husband, Chuck Brewer, and the Brewers' son, Matt. "Dr. Kruse was stationed here at the Pearl Harbor Naval Supply Center in the early 1950's. Their daughter, Julie, was born in 1953 at Tripler Hospital and left Hawaii when Julie was three months old. This is Julie's first visit back to Hawaii since she left 43 years ago. Julie works for Midwest Legal Services, a national company based in Iowa, and which does business here in Hawaii." They were accompanied by a former colleague, Marvin Dang, "an esteemed attorney."

At 9:23 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 9:53 o'clock a.m.

## ORDER OF THE DAY

## SUSPENSION OF RULES

On motion by Representative Amaral, 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.

At 9:56 o'clock a.m., Representative Thielen asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 9:57 o'clock a.m.

## UNFINISHED BUSINESS

**Stand. Com. Rep. No. 567-96 and H.B. No. 1741, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1741, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AVIATION ARTIFACTS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 568-96 and H.B. No. 2594, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2594, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BUILDING STANDARDS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 569-96 and H.B. No. 3138, HD 1:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3138, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"I just wanted to note that going through my district and visiting one of my elementary schools in the district -- Pauoa Elementary School -- I was told a story, a story of a school store whereby kids learned how to buy, sell, count change, manage books, and make business decisions.

"What one of the teachers did was a very innovative idea that was asked by the students -- 'Why don't you go out and buy some candy, buy some pencils, buy some erasers, bring it back to the class and we'll set up a kiddy school store.' And what they do is they go through the whole process of buying wholesale, selling retail, making a profit, counting the change, managing their books, and it was a very worthwhile experience not only for the students, but for the faculty and the parents that got involved with this particular school store.

"The problem that occurred was that through the bureaucratic red tape, Dr. Aizawa sent down from on high a cease and desist order to shut down the kids' school store.

"This bill, as I understand it, will afford an opportunity for such a kiddy school store and to implement innovative ideas at our schools throughout the State.

"For that reason, I rise in strong support of this measure and hope that we can encourage, through these innovative teaching tools at our schools, the understanding of business, the understanding of the real world, and encourage our kids, our parents, and our faculty to join together so our schools will do better in our islands.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3138, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 570-96 and H.B. No. 3154, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3154, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ACCESS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 571-96 and H.B. No. 3208, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3208, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"Mr. Speaker, this bill will establish a Blue Ribbon Task Force on Small Business which will provide legislators a more thorough understanding of the effects our initiatives have had on the State's economy with regard to the continual extinction of small businesses that are run by our citizens. This will examine all proposed rules and amendments that will affect small businesses prior to their adoption so that we, as legislators, would be fully aware of their implications and thus be fully responsible for any detrimental results.

"I think it's a good bill, Mr. Speaker."

The following remarks by Representative Herkes, in support of the bill, were submitted to the Clerk for insertion into the Journal:

"Mr. Speaker, a number of very good bills came before your Committee on Economic Development and Business Concerns to make life easier for small business. Some of these bills were to provide relief from a variety of State rules, regulations, statutes and to provide for certain tax amnesty.

"Your Committee struggled with how to identify which of these barriers would bring about meaningful change. Most of the bills used an impending study from the Department of Business, Economic Development, and Tourism to identify the roadblocks, however, the Department of Business, Economic Development, and Tourism had not finished the study and we had no road map to follow.

"To move this process along, and with the support of the National Federation of Independent Business, the Small Business Council, The State Chamber of Commerce and the Hawaii Congress on Small Business, this bill provides for a task force made up from members of the Hawaii Congress on Small Business, to:

- (1) Review all existing State administrative rules relating to small business;
- (2) Review all State-originated proposed rules and proposed amendments to existing rules that affect small business prior to their adoption; and
- (3) Review all State laws that act as barriers to the formation, operation, and expansion of small businesses in the State.

"The task force is also charged with making definitive recommendations to the next session of the Legislature on how to improve the small business climate in Hawaii.

"Mr. Speaker, your Committee would like to have gone much further but with the limited information before us, this seemed to be the most prudent course of action and has the support of the small business groups that appeared before the committee.

"We ask the support of the House for this bill."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3208, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SMALL BUSINESSES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 572-96 and H.B. No. 3344, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3344, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE RELIEF OF CERTAIN PERSONS' CLAIMS AGAINST THE STATE AND PROVIDING APPROPRIATIONS THEREFOR," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 573-96 and H.B. No. 3361, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3361, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE HAWAII FILM FACILITY," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 574-96 and H.B. No. 3425, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3425, HD 2, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION OUT OF THE SPECIAL FUND FOR THE ADMINISTRATION OF WORKERS' COMPENSATION INSURANCE," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 1741, 2594, 3138, 3154, 3208, 3344, 3361 and 3425 had passed Third Reading at 10:00 o'clock a.m.

**Stand. Com. Rep. No. 575-96 and H.B. No. 3442, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3442, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EARLY CHILDHOOD EDUCATION," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 576-96 and H.B. No. 3715, HD 1:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3715, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"Mr. Speaker, this is a historic moment, it is a historic bill, it's probably one of the best appropriation bills that we will pass today or maybe even in this century. The Congress has the CBO, the President has his OMB (Office of Management and Budget), but all we've had to count our beans so far are borrowed staff from the Executive. I'm not denegrating any of Calvin's 'cracker jack' staff.

"But this bill finally, after establishing the office in 1990, actually put the money there -- the full \$350,000. It puts us on an even playing field, it gives us a sense of where we are financially rather than second guessing the Executive, and it's a way of validating and countering, if you will, what is generally coming down from the Executive office.

"Lastly, Mr. Speaker, my hope is that this legislative analyst position will also put a twist of legislative fiscal evaluation in place. In other words, I hope this bill is to numbers what Marion Higa is to performance. We need the budget justification based upon measurable outcomes of our departments, of our programs, and with this position, I think there are high expectations we will have not just numbers, but we will have reasons to back and believe what we are funding, not guess work but substantive unequivocal data.

"In conclusion, Mr. Speaker, it is a necessary bill. It is a valuable bill. It is a long overdue bill, but like a man who becomes a father late in life, it is still satisfying, though surprising, when you finally learn about all the things that you missed.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3715, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO PROVIDE FOR THE EXPENSES OF THE OFFICE OF THE LEGISLATIVE ANALYST," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 577-96 and H.B. No. 854, HD 1:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 854, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"I just want to note to the members that while this seems like quite an innocuous bill, it is important. I would like to read what it does. It says it creates a rebuttable presumption that an employer who discloses information about a former employee's essential job functions to a prospective employer of the former employee, upon request of the prospective employer or of the former employee, has acted in good faith and is immune from civil liability.

"What does all that mean? That means, today, if you have a bad employee and you're an employer, you can tell the next prospective employer that that employee is not all that great for whatever reason. And I think that is going to be very helpful for small businesses so that we can encourage the good employees that want to move on to another job, that we can support the good employees and yet we'll have the means by which to discourage bad employees and to keep them from going from one small business to another to another and so forth, and carry all of their inefficiencies and ill will throughout our business community.

"I'd also like to further note that this progressive step to help our small businesses which will therefore bolster our overall economy, won't cost us a dime. And there's a profound lesson to be learned in allowing our businesses to function as they should which would, without any cost to us, help out our economy.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 854, HD 1, entitled: "A BILL FOR AN ACT RELATING TO JOB REFERENCE LIABILITY," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 578-96 and H.B. No. 3460, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3460, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FOSTER PARENTS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 579-96 and H.B. No. 2564, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2564, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR LICENSES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 607-96 and H.B. No. 2514, HD 3:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 2514, HD 3, having been read throughout, pass Third Reading.

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

"This bill is to provide for the establishment within the Department of Education, a coordinated system of transition-to-work centers, and this measure, Mr. Speaker, is to implement Senate Concurrent Resolution No. 260 of the 18th Legislature of the State of Hawaii, Regular Session of 1995.

"This Act also fulfills the spirit of the cooperative agreement between the Department of Labor and Industrial Relations and the Department of Education to look into the management and operation of this school-to-work transition program, effective July 1, 1996.

"The passage of House Bill 2514, House Draft 3, will strengthen the continued delivery of services of this school-to-work transition program that benefit the approximately 24,000 high school students where transition centers are located. The impact of these transition centers programs on our students in the high school is far-reaching and of great importance to both the individual students and to our community, and I humbly ask my fellow legislators to support House Bill 2514, House Draft 3.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2514, HD 3, entitled: "A BILL FOR AN ACT RELATING TO THE TRANSITION TO WORK SYSTEM," having been

read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3442, 3715, 854, 3460, 2564 and 2514 had passed Third Reading at 10:06 o'clock a.m.

**Stand. Com. Rep. No. 608-96 and H.B. No. 2549, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 2549, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"Mr. Speaker, this is a good bill. This bill uses language like 'citizens' with developmental disabilities, 'individuals' with developmental disabilities.

"Mr. Speaker, it is much harder to be prejudiced against, to discriminate against, people when we are talking about individuals. When we talk about the developmentally disabled, when we talk about the mentally ill, when we talk about the physically challenged, we frequently forget that they are individuals, that they are people we are talking about.

"This bill brings us to people language and, therefore, I support it.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2549, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE STATE PLANNING COUNCIL ON DEVELOPMENTAL DISABILITIES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 609-96 and H.B. No. 2644, HD 1:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 2644, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"I am happy to see that we are taking steps to adjust the actuarial assumptions on the ERS formula that determines the system's pension obligation.

"By decreasing the assumed salary increases from 6-1/2 percent to 4 percent, we are factoring in the current economic reality, which results in a more accurate estimate of what the future pension obligations will be.

"Any and all efforts to use correct actuarial assumptions, methods, and changes to benefits will more closely reflect the current and future needs of employees and retirees, and the associated cost, of course, of meeting this future obligation.

"I have a great deal more to say on this subject, Mr. Speaker, but in the interest of time, I will ask that my remarks be inserted into the Journal," and the Chair "so ordered."

Further remarks by Representative Thielen are hereby inserted:

"Although several bills were introduced in the 1995 Legislature to reform the state's Employees' Retirement System, none of them passed.

"The Employees' Retirement System is the pension and retirement system for state and county workers. Why should we care about the ERS? Because more and more, it's our tax dollars that are funding the ERS, that's why.

"A little background is necessary: like any other system, there is no free lunch when it comes to pensions and retirements. There is a cost associated with providing benefits to 'x' number of employees, who have worked 'y' number of years, and are expected to live 'z' number of years. Actuaries determine the appropriate cost for which the system is obligated.

"So, what's the problem? First, the ERS uses an antiquated method in determining its liabilities, the 'frozen initial liability' formula. Under this method, an estimate of the system's obligations is made for a single point in time and used every year thereafter, without factoring in changes such as inflation, increased numbers of retirees, or the liberalization of benefits.

"Second, the Legislature is often asked to increase benefits without having the information necessary to determine what the additional costs of these benefits will be. When the state cut a deal with early retirees last year, we were promised cost savings, but no figures were provided and no cost-benefit analyses were performed.

"Third, the ERS is underfunded. According to the ERS 1994 annual report, the system's unfunded pension benefit obligation is \$1.6 billion! A major reason for this underfunding is a statutory provision which funnels excess earnings of the system into the general fund. In other words, instead of being able to retain all of its investment profits, the system loses any earnings over 8 percent to the state and counties. The result: almost \$1 billion that should have been reinvested in the system went instead into the general fund.

"Finally, and here's where we all come in. Investment returns are dropping. In 1993-94, for the first time in a decade, ERS investments were lower than 8 percent. So what? Constitutionally, the state and counties are required to assure that the ERS meets its obligations. This meant that \$389 million in taxpayer moneys had to be spent shoring up the ERS' bottom line that year. If investments continue to slide, the taxpayer contribution will increase. Is anyone surprised that the state is facing a deficit? Much of it can be attributed to taxpayer dollars flowing away from the general fund to shore up the ERS.

"Here's what needs to be done:

- (1) Repeal the requirement that ERS earnings in excess of 8 percent be funnelled to the general fund, allowing the system to retain 100 percent of earnings effective immediately;
- (2) Require county representation on the ERS Board of Trustees;
- (3) Repeal the use of the frozen initial liability method in the determination of liabilities and require the use of the annual projected unit credit method; and
- (4) Require the ERS to provide actuarial data and cost-benefit analyses on all proposed changes to the system."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2644,



HD 1, entitled: "A BILL FOR AN ACT RELATING TO PENSION AND RETIREMENT SYSTEMS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 610-96 and H.B. No. 2745, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2745, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DISABLED PARKING ENFORCEMENT," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 611-96 and H.B. No. 3167, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3167, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 612-96 and H.B. No. 3343, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3343, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PERFORMANCE BASED CONTRACTING," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 613-96 and H.B. No. 3345, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3345, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EDUCATION COUNCIL," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 614-96 and H.B. No. 3421, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3421, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CABLE COMMUNICATIONS," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 2549, 2644, 2745, 3167, 3343, 3345 and 3421 had passed Third Reading at 10:08 o'clock a.m.

**Stand. Com. Rep. No. 615-96 and H.B. No. 3423, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3423, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE WARRANTIES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 616-96 and H.B. No. 3434, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3434, HD 2, having

been read throughout, pass Third Reading, seconded by Representative Thielen.

The following remarks by Representative Meyer, in support of the bill, were submitted to the Clerk for insertion into the Journal:

"This is a good bill because user fees for intersession classes will ensure that intersession programs, like our previously established educational offerings, are quality programs.

"With the implementation of School/Community-Based Management, more schools are adopting year-round education and are offering intersession program -- their equivalent of summer school.

"The Department of Education cannot afford to offer these educational opportunities without charging tuition and other fees as they charge for summer school.

"Because the Department of Education appropriately categorizes intersessions as being similar to summer school, intersession should also become a financially self-sufficient program. This bill assists all our schools to be the best that they can be regardless of which calendar their SCBM process decides is best for them."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3434, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 617-96 and H.B. No. 3439, HD 1:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3439, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Meyer rose to speak in support of H.B. No. 3439, stating:

"Because of the shortfall in funds that we sent to the schools last year, we have arrived at passing this bill today. Many schools in our state, like Kahakai Elementary School in Kona, are conducting classes without their lights on and paying their electricity bills out of funds intended for other purposes.

"Fellow colleagues, it is alleged that the culprits being investigated in this felony -- against our students -- are going by the names of 'insufficient funds appropriated,' 'increased electricity usage,' and 'increased facilities coming on line.' An unidentified source has leaked that there is a strong possibility that these three suspects are in kahoots.

"The real travesty of this situation is that, because of insufficient evidence, we will not be able to file charges against them nor get them into a rehab program to **prevent budget shortfalls necessitating emergency appropriations again.**

"Prevention is our responsibility, this session.

"Webster defines an emergency as a vital and decisive turning point in a condition or state of affairs; one that necessitates some difficult alternatives of choice. When combined with the word 'appropriation,' emergency should inspire to take responsibility and make a turning point in the way we have been doing business.

"We must rehabilitate ourselves from using emergency appropriations to pay electric bills in the future.

"I support the appropriation of funds for school electricity this year, with faith that we will not be voting to do the same next year.

"Thank you, Mr. Speaker."

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

"I simply want to acknowledge, through bills of this kind, that government -- the executive and legislative branches -- working together, can respond to the emergency material needs of our schools.

"I commend the Finance Committee for its work in bringing this bill to the floor today, in time to pay the electric bills of our schools.

"By the way, one unexpected positive outcome of this shortfall has been that all schools have made an effort to look at ways that they could cut back on excessive use of electricity, and this will be something that they will continue to be able to do in the future, whatever their electric bills might be.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3439, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE OPERATING EXPENSES OF THE DEPARTMENT OF EDUCATION," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 618-96 and H.B. No. 3464, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3464, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

The following remarks by Representative Case, in support of the bill, were submitted to the Clerk for insertion into the Journal:

"Mr. Speaker, I rise in support of House Bill 3464, House Draft 2.

"Mr. Speaker, this bill authorizes the Director of Human Resource Development to implement principles of 'broadbanding' in our state employment system. Reduced to its essentials, broadbanding classifies state employees into fewer, less restrictive categories, thereby increasing flexibility in the utilization of employees as and where needed and avoiding the time, expense and inefficiency fostered by our current outdated microclassification system.

"This is one of four proposals we are considering today which move us, if ever so slowly, toward a state employment system where cross-utilization, merit advancement and pay and other time-tested methods of effective public administration are the norm rather than the exception. The others are House Bill 3466, HD 2, relating to broadbanding in specific departments, House Bill 3482, HD 1, which strengthens the state's nascent program for rewarding employee cost-saving suggestions, and House Bill 3469, HD 1, which authorizes DHRD to conduct demonstration projects to change various management procedures, methods and policies.

"As I noted in floor remarks last May 1, 1995 in support of House Bill 1965, these are small but necessary beginnings. Most unfortunately, other proposals which would have more directly impacted various problems of the current system have thus far fallen victim to the raw fear of change.

"But this change must and will come because there is no acceptable alternative. The only question is whether we can bring it about through joint effort and mutual consensus on the part of all interested parties.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3464, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MODERNIZATION OF THE CLASSIFICATION PLAN," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 619-96 and H.B. No. 3466, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3466, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MODERNIZATION OF THE CLASSIFICATION AND COMPENSATION PLANS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 620-96 and H.B. No. 3482, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3482, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INCENTIVE AWARDS," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3423, 3434, 3439, 3464, 3466 and 3482 had passed Third Reading at 10:12 o'clock a.m.

At 10:13 o'clock a.m., Representative Case asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 10:15 o'clock a.m.

**Stand. Com. Rep. No. 621-96 and H.B. No. 3503, HD 3:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3503, HD 3, having been read throughout, pass Third Reading, seconded by Representative Thielen.

"I just wanted to highlight this bill because of its significance. In this time of austerity, when there is a dire need to streamline government, this bill which establishes an interdepartmental decategorization program for the development of pilot projects to demonstrate more effective ways of delivering mental health, educational, and protective services to multi-service children and adolescents, is a very important way to improve the effectiveness of government services, particularly to youth.

"Mr. Speaker, it will require all service providers to stretch a little, to do things differently, which is always painful, but for the benefit of our children, we are willing to make these changes.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3503, HD 3, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN'S SERVICES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 622-96 and H.B. No. 3537, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3537, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COMPENSATION OF CRIMINAL INJURIES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 623-96 and H.B. No. 3549, HD 1:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3549, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"This bill which makes an emergency appropriation for Public Safety to increase the drug rehab programs, I think, is one of the most significant and critical bills that we have before us. If we're trying to get a handle on the overcrowding in the prisons, one of the best ways to do it is to treat those people who are victims of drug abuse.

"The majority of the inmates that we have are drug abusers and those who are untreated, when they get out on parole, or they go on work furlough, or once they've served their term, they will go right back to drugs. And so, we have a revolving door and they come back in after more drug abuse and we start all over again.

"This would increase the therapeutic KASHBOX program at Waiawa from treating 34 inmates to 170. The record out there has shown very definitely that the recidivism rates go down and that there are far few abusers of parole and work furlough.

"I urge all of you to vote yes on this bill.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3549, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR PUBLIC SAFETY," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 624-96 and H.B. No. 3583, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3583, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"Mr. Speaker, I rise in respect of the autonomy that this bill gives the University of Hawaii, but as an alumnus of the East-West Center, I am compelled to

speak on some of the implications of the cash-and-carry tuition that will result of that.

"Mr. Speaker, I think all of us here know that we can go to any part in Asia and the Pacific and we will run into somebody we know or who had been a graduate of the East-West Center. They are the heads of departments; they are professors in schools; and even in some cases, they are the presidents of nations. The impact of the Center has been worldwide, but primarily in Asia and the Pacific.

"This bill threatens the East-West Center by removing the statutory intimacy between the Center and the University of Hawaii. And why I am particularly concerned is that many of you may not know, but the East-West Center is on its deathbed. The Center is now fighting for its life, having had a \$25 million budget or thereabouts for the last thirty years, always assuming, always knowing that it would be funded. This year the budget is 50 percent lower; next year it is going to be \$8.5 million only.

"Often, this has been said to be our secret weapon in Hawaii. It's been a peacekeeper in the world, but I fear, Mr. Speaker, this international diplomacy that we do do in Hawaii through the Center, if the goodwill of the Board of Regents does not in effect take the spirit of what we are now eliminating in this bill, then waive the tuition for the East-West Center graduates or the grantees.

"I am afraid that \$8.5 million for the 200 students may not just make it fit. Everyone on this floor would shirk and shudder if it was a \$25 million company shutting down that had 300 employees. We'd say, hey, we've got to do something about it.

"My point in speaking with reservations, Mr. Speaker, is for us to know that our great Center is in danger, it is dying. The peace dividend that it has been reaping is in danger of being no more.

"Thank you, Mr. Speaker."

Representative Lee then rose and stated:

"Mr. Speaker, I rise to speak in strong support of H.B. 3583, HD 2, and the subject on intervention of the previous speaker. I think it is a hyperbole and an argument of absurdism to state that this bill threatens the East-West Center. This bill does nothing of that sort. The East-West Center will fall or rise on its appropriations from the federal government.

"This bill provides autonomy which the University of Hawaii deserves. It simply abolishes categorically those categories of tuition waivers or non-residential tuition preferential treatment which had been enjoyed at one time by East-West Center students.

"The point is, if there are no East-West Center students, the University will be hard-pressed to provide that preferential treatment, and it is up to the East-West Center to do so on its own merits.

"I resent the fact that this bill has been used, not in the context of what the University of Hawaii is planning to do or what we plan to put the University of Hawaii on a fair footing, but as an attack on the University in supporting the East-West Center.

"Thank you, Mr. Speaker."

Representative Ward, in rebuttal, stated:

"Mr. Speaker, being that this is for the Journal, I think for keeping the record straight, in all respect to the previous misinformed speaker, it costs money to send students from thirty nations to the University of Hawaii. The East-West Center is an umbilical cord, or let's say, in a reciprocal relationship so the academic training of those who come from Asia and the Pacific can get Masters, PhD's, et cetera. Without tuition waivers, those costs would literally treble.

"My point of mentioning that they are down and dying is that a \$25 million budget is down to \$8.5 million. If you don't have tuition breaks, it's the same as we had with some of those members of the National Guard ... if I am going to continue in college and I don't have my tuition waiver, hey, it's out of here for me.

"Now, whether we want to continue the Center or not is the subject of what my reservation was about, by giving it some leniency. And I respect the autonomy of the University. It's cash-and-carry -- if you can't pay tuition, you're not going to get debited with a waiver.

"The point is, the Center needs help now, just like some of you who want the welfare, the General Assistance to continue. The same is with that academic institution. It needs our help as a body that created it in conjunction with John F. Kennedy and Lyndon Johnson back in the '60s.

"Thank you, Mr. Speaker."

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

"Hawaii has a gem within our shores -- the East-West Center -- and it has allowed us to play a very important role in the international arena. Not being myopic, I certainly do support that role that we have played.

"This will make it much more difficult when the nonresident tuition and fee differential are not applicable to East-West Center student grantees.

"I applaud the late President Kennedy with his foresight and his wisdom in helping to establish this Center, and although the Minority Floor Leader at that point was a Democrat, I do want to note that he has seen the light.

"Thank you, Mr. Speaker."

Representative Lee, in rebuttal, stated:

"Let me just remind everyone in the chamber that the problem of the East-West Center is because of the Republican Congress which has slashed the budget. If it is going to be killed, it will be killed by the Republicans. The victim should know who the perpetrator is, and the perpetrator could be the rescuer if our colleagues would spring to the rescue.

"Don't blame the University of Hawaii. The University of Hawaii has assisted the East-West Center for so many years. To continue to do so, the Board of Regents will continue to give this preferential treatment to East-West Center attendees if the Republican Congress would fund the East-West Center.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3583, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," having been read throughout, passed Third Reading by a vote of 51 ayes.

# **Stand. Com. Rep. No. 625-96 and H.B. No. 3834, HD 1:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3834, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Ito 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 Ito's remarks are as follows:

"Mr. Speaker, I am here to ask your support for H.B. No. 3834. An important school reform effort is being implemented here in Hawaii and the rest of the country, Mr. Speaker. This reform effort -- improving youths' transition from school-to-work -- has received wide bipartisan support from our nation's political leaders.

"There are two reasons for their concern. The first relates to keeping the United State's goods and services competitive in the world market. Our business and political leaders believe that to maintain our competitive edge, we must invest more in education and training or what they term our human capital. This means, among other things, improving our public schools.

"The second relates to the belief that our schools have not served well the majority of youths leaving high school, the 75 percent who do not receive four-year college degrees. Whether they call them the 'neglected majority' or 'forgotten half,' these youths often flounder in the job market years after leaving school. For example, the average age for apprentices in the United States is 29; the average in Germany is 17.

"Many believe that our students do not do well in school because they do not see the relationship between what they study in school and what they will be doing in the future as workers, parents, and citizens. School-to-work reform advocates believe that what they propose -- a better transition system -- will result in better motivated and educated students. They also believe that students have different learning styles and that a more practical and applied method of teaching and learning can benefit a larger number of students than do traditional educational approaches.

"Our leaders looked for model transition systems in countries such as Germany and Japan that would better serve all youth. They concluded that the United States could adopt some of their more successful practices. These include setting high academic standards for all students, not only those who are preparing for college; expanding work-based learning, such as youth apprenticeships; and developing industry/occupational skill standards and portable certification.

"Congress enacted and President Bill Clinton signed the School-to-Work Opportunities Act, P.L. 103-239 in May 1994. This legislation provides states with planning and implementation grants to develop state school-to-work systems and requires states to develop three components: work-based learning, school-based learning, and connecting activities.

"Hawaii was awarded both a school-to-work planning grant and a five year implementation grant. It has received 1.7 million dollars to distribute to local partnerships this year and will receive 10.2 million dollars over the five year period. Local partnerships are composed of secondary schools, postsecondary institutions, employers, labor and community organizations, teachers, and students. They are

developing plans to establish school-to-work systems in their areas.

"The Governor appointed a state school-to-work executive council to administer the grant. The Hawaii council, composed of four state department heads and representatives of business and labor, are presently overseeing the distribution of funds through a request-for-proposal process. About 30 local partnerships have applied for either the partnership-building or capacity-building grants.

"Building a state school-to-work system for Hawaii is an enormous undertaking. It involves restructuring the public school system from kindergarten to college so that it reflects an integrated and comprehensive career development continuum of career awareness, exploration and preparation. It also involves committed business-education partnerships. School-to-work promotes work-based learning for all students, not only those in vocational programs. It also provides more opportunities for students to access school-based activities, such as career fairs and guest employer lecturers.

"Such a major educational initiative requires the support of all major policymakers in the State. It has already received the support of the State administration, the State Board of Education, and the State Superintendent of Education. It is a major provision of the majority party's legislative package and deserves the support of the State Legislature as a whole.

"More immediately, this means supporting the measures relating to Hawaii labor laws that affect work-based learning. Before committing themselves wholeheartedly to increased work-based learning opportunities, employers must be reassured that they will receive support for liability issues concerning students. The State Legislature partially addressed this concern with appropriate legislation in the last session with Act 231.

"We need to continue work on this issue during this session. House Bill 3834 will provide workers' compensation and unemployment insurance relief for employers who participate and are committed to giving students work experience opportunities as part of their school-to-work partnerships. I ask for your support on this measure which will help to build a better workforce for our State."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3834, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TECHNICAL AND VOCATIONAL TRAINING," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 626-96 and H.B. No. 3962, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3962, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Ito rose in support of the bill and requested that his remarks in favor of H.B. No. 3834 (Conf. Com. Rep. No. 625-96) be referenced in the Journal for this bill, and the Chair "so ordered."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3962, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 627-96 and H.B. No. 4032, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 4032, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Meyer rose and stated:

"Mr. Speaker and members of the House, I rise to voice my no vote on this measure, relating to appropriating funds to increase security staff at the State Capitol.

"First of all, I would like to point out that increasing Deputy Sheriff staff assigned to the civic center area from 30 to 38 represents a 25 percent increase in total staff positions. While the bill is nonspecific as to the expenditure needed, I have estimated a cost of approximately \$400,000.

"Although I recognize the need for adequate security at the Capitol, as the bill clearly states, 'there have been no terroristic acts aimed at the government recently,' and I feel that this type of staff increase is unwarranted.

"Secondly, in light of the fact that so many other state departments have had to reduce their staffs, as well as large cuts in welfare programs, this increase seems out of line.

"Mr. Speaker, I would like to suggest that the Sheriff's Department take a closer look at readjusting staff assignments in the civic center area, or perhaps work with the Harbor Patrol people who don't seem to know what department they should be in and many of them need to be assigned somewhere. So rather than spending additional dollars, we could use some cooperative effort between these two agencies.

"Thank you, Mr. Speaker."

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

"Mr. Speaker, House Bill 4032, House Draft 2, is entitled: 'Making an Appropriation for Security at the State Capitol,' and where the previous speaker has pointed out that perhaps the amount of terrorism that has taken place within the nation has significantly reduced, we are certainly aware that the urban terrorization has not been reduced in the State of Hawaii. And, if anything, as more pressure is put upon our citizenry as drugs are more available, as more people are homeless, the level of violent crime increases as does the level of property crime.

"Within the testimony that was provided by the Department of Public Safety, they have cited the need for the additional positions not only for the security of we members within the confines of this building, but certainly for our staff, in areas such as the parking lot, the entry levels, and the roving patrols around the State Capitol. We are aware that in the most immediate past, our staff have been assaulted by persons loitering around the parking lot areas.

"I think the security and the safety of the people that use this building is of critical concern, and to add the eight additional members to the Sheriff's Office is not too much to safeguard our people and our staff here. So I hope the members will support this measure.

"Thank you."

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

"Mr. Speaker, I would like to add something to what the previous speaker said, and that is that you all must remember that when we are in our offices or anywhere above the first floor, there is no way that the security guards, unless they are patrolling, unless we have security devices such as cameras in the halls, would possibly know if there were any upsets. I don't know how many of you have had problems with people who came to your offices, who were mentally disturbed, but I had it happen often when I was Chair of Human Services many years ago.

"I think it behooves us to look with great favor on this bill because it's not only the legislators and the staff who could be at harm's risk, but it is any of those people who came to testify or came by your office, especially late at night, and that happens frequently.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 4032, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR SECURITY AT THE STATE CAPITOL," having been read throughout, passed Third Reading by a vote of 50 ayes to 1 no, with Representative Meyer voting no.

The Chair directed the Clerk to note that H.B. Nos. 3503, 3537, 3549, 3583, 3834, 3962 and 4032 had passed Third Reading at 10:32 o'clock a.m.

**Stand. Com. Rep. No. 628-96 and H.B. No. 2809, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2809, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CULTURE," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 629-96 and H.B. No. 3101, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3101, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 630-96 and H.B. No. 3341, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3341, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Halford rose to speak against the bill, stating:

"There are some good intentions towards this bill. There are positive things for having an after-the-fact payroll. However, one of my concerns is, if we have in statute now a seven-day waiting period to pay in the private sector, and I believe that the bill before us would ask us to make it approximately a fifteen-day waiting period for the public sector, but of more concern to me is that as this bill has changed with a variety of drafts, the draft that we end up with is one that asks that this change be done all at once. I understand this to mean that the

employees will miss a paycheck, that tens of millions of dollars will just not be paid at one time and that they will be caught up all at once. In my interpretation of this, I would welcome a comment from the more senior members of this body.

"But I see that as bad for the economy, to make that swift change, to stop that cash going into our communities, and too harsh a change to so many people who live from paycheck to paycheck, and some people, as we know, are a paycheck away from being homeless.

"This draft is too severe, and I would like to submit my pink slip.

"Thank you, Mr. Speaker."

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

"Mr. Speaker, I believe the previous speaker stated quite clearly that this was a good idea. I think it was well intentioned and it certainly is a good management notion to go ahead and move forward with a lag in your payroll so that you can ensure against the abuse of sick leave and the abuse, perhaps, of vacation pay that should not be made in some of these instances, and we've seen that.

"As the previous speaker also noted, the private sector uses this payroll lag and it makes a lot of sense. However, they are limited to seven days as opposed to fourteen or fifteen days for the public sector.

"I'd also like to state that this, although it's been termed a revenue-saving bill of millions of dollars, it really is simply putting off a liability. We can float a bond and make that money up tomorrow also. Simply go out there and float that \$2 million bond -- why not? That's the same thing as what we're doing here. It's still a liability that has to be carried on the books and we will need to address it in the future ... putting off our problems until tomorrow.

"With that in mind, I understand that we've entered into some of the rhetoric with a reference to the Republican Congress. I would perhaps note that this may be Democrat denial. We have a much larger problem facing us than simply telling every employee to take one day less pay per month. We need to address the real problems. And in a bill that will be coming up at the end of the calendar, I will raise those concerns at that time.

"Thank you, Mr. Speaker."

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

"Mr. Speaker, I found that the arguments of my colleagues behind me were very compelling. I think that it's a good management practice, Mr. Speaker, to have a seven-day time lag because that does deal with the issue of sick leave. Then you really know for what days you are paying the employee, but I think the two-week time lag is way too harsh.

"I would hope that as this bill goes over to the Senate that they will take a look at that and decide that -- wait a minute, we don't need to be so draconian -- because we are talking about a number of people whose salary means that they cannot pay the rent or buy the food to put on the table.

"Thank you, Mr. Speaker."



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

"My understanding of the bill is quite different from those that have been portrayed. From the discussion that we had in caucus yesterday, I believe that the Minority members are working under a kind of false understanding of this.

"I don't believe anyone will lose pay. They will not go without a paycheck for a two-week period, that it will be a gradual lag of one day at a time. That's my understanding of this.

"Thank you."

Representative Thielen then rose and asked:

"Could the Finance Committee Chairman possibly add clarification to this? Because if it is going to be a one-day-a-month time lag until the period goes up to two weeks, I still have reservations by it being a two-week time lag instead of just a seven-day time lag. But I would like to know if it is to be implemented one day per month for that period of time."

Representative Say responded:

"It's two days a month. After every paycheck on the 15th, it will go to the 16th. On the first, to the second."

Representative Thielen asked:

"So the equivalent of two days a month?"

Representative Say: "Based on the paychecks that are passed out to the State employees."

Representative Thielen: "And it's for a full two-week time lag instead of just a seven day?"

Representative Say: "It will be a total of 24 days based on the calendar of the fiscal year."

At 10:41 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 10:47 o'clock a.m., Representative Thielen rose and stated:

"During the recess, the Chair of the Finance Committee and our resident CPA were able to shed some light on this matter, and I appreciate that, Mr. Speaker.

"I still oppose the bill, as long as it will authorize or allow the Governor to do a 14-day payroll time lag. If the bill comes back to us from the Senate and it's a seven-day time lag done incrementally, then I certainly can support that. I think fourteen days is too much.

"Thank you."

Representative Kawanakoa then rose and stated:

"Just for clarification about the previous speaker's note.

"I believe this may allow the Governor to do a payroll lag for an indeterminate amount of time -- it simply leaves it open. I understand there's probably schedules and desires that we would like to have the Governor follow, but it truly leaves to his discretion the amount of time when it would come. It says one time once a month; that could be fourteen days in the first month and one day for every other month. I'm not exactly sure as it's not clearly defined. I would just like to note that concern.

"Thank you."

Representative Halford then rose and stated:

"I appreciate the discussion during recess. Thank you very much.

"I believe that as this bill is written, the words chosen could graft this bill. I still have a problem with it, and I hope that future legislators that see this might perfect it.

"Thank you."

Representative Say then rose and stated:

"Let me correct myself in saying, yes, it is fourteen days based on the \$47 million projection that we will save the State of Hawaii.

"As far as the liability of this \$47 million, it will occur at the end or at the point when a State employee does retire, and it is being done in the private sector what the Minority Leader has stated as far as seven days.

"In trying to address the major budget shortfall, this is one of many proposals that this House will be addressing in trying to resolve the deficit, Mr. Speaker.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3341, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SALARY PAY PERIODS OF PUBLIC OFFICERS AND EMPLOYEES," having been read throughout, passed Third Reading by a vote of 48 ayes to 3 noes, with Representatives Halford, Kawanakoa and Thielen voting no.

**Stand. Com. Rep. No. 631-96 and H.B. No. 3362, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3362, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DISTRICTS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 632-96 and H.B. No. 3379, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3379, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 633-96 and H.B. No. 3469, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3469, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE DEMONSTRATION PROJECTS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 634-96 and H.B. No. 3518, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3518, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"This happens to be a very good bill and what was tacked on to it was a continuation of a tax -- the employment and training tax -- which is one-half of one percent of your unemployment insurance tax. It was supposed to sunset this year and, unfortunately, we see it continuing.

"I just would like to note that since our unemployment insurance went up about 100 percent, that this employment training tax would go up at the same amount.

"With that reservation, Mr. Speaker, I will be voting for the measure.

"Thank you."

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

"I just wanted to note again that this is simply a tax on business and as was mentioned by the previous speaker, well intentioned as it may be, it does extend this particular bill into the year 2000 when the legislation requires a tax on our businesses.

"Few, if any, of our businesses get the benefit from this particular training and educational program. I understand that most of our businesses would prefer to train their own employees, perhaps in a more fashioned manner, so that it would fit their business purposes.

"In summation, there is no great track record, there are no real success stories, to justify the extension of this legislation into the year 2000.

"For those reasons, I will be voting no on this measure.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3518, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," having been read throughout, passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Kawanakoa and Meyer voting no.

The Chair directed the Clerk to note that H.B. Nos. 2809, 3101, 3341, 3362, 3379, 3469 and 3518 had passed Third Reading at 10:51 o'clock a.m.

At 10:51 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 10:53 o'clock a.m., the following late introductions were made to the members of the House:

Representative Menor, on behalf of Representative Lee and himself, introduced 23 students from Wheeler Elementary School, accompanied by their teachers Wendy Ogawa and Andy Sandoki.

Representative Hamakawa introduced Councilman Arakaki from Hilo.

Representative Ward introduced Jim Proctor, Betty Tatum and Tim Moore of the Hawaii Congress on Small Business, and White House Conference on Small Business conferees.

**Stand. Com. Rep. No. 635-96 and H.B. No. 3538, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3538, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL INJURIES COMPENSATION," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 636-96 and H.B. No. 3579, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3579, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE ESTABLISHMENT OF A TRANSPORTATION IMPROVEMENT REVOLVING FUND," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 637-96 and H.B. No. 3611, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3611, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 638-96 and H.B. No. 3648, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3648, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Marumoto rose to speak against the bill, stating:

"I am in opposition to this measure, Mr. Speaker. This would raise the Drivers Education Fund assessment from \$1.50 to \$2.00, and presently the fund gets its money from the underwriters fee of 75 cents, penalties, and a \$100 DUI assessment. From the underwriters fee, they derive almost \$500,000; from penalties, \$434,000; and from the DUI assessment, \$84,000.

"This bill would propose that we increase the underwriters fee, which means that the good people who buy car insurance will be assessed this. I think the companies will pass this on. I would rather see any fee increase taken from the bad people who have to pay the penalties, or the DUI assessments, and this is not the case.

"So, Mr. Speaker, unfortunately I am against this bill.

"Thank you very much."

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

"We need to stop taxing -- further taxing -- our good citizens. As the previous speaker noted, it would probably be more appropriate to raise the fees on DUIs or

other tickets that would then turn around and help these needy drivers in their driver education school. It's very easy to take a look at this program and say it's a worthy program. It clearly is a worthy program to help educate drivers so that we have less accidents on the road and otherwise.

"However, if it is a worthy program, we should start looking towards the general fund to fund it. No longer can we simply say -- worthy program, add another tax. The economy can't bear it. Let's stop drawing money out of the economy to pay for our good programs and let's start redistributing the money that we have in our general fund. We have lots of money. The problem is, we don't spend it appropriately.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3648, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DRIVER EDUCATION AND TRAINING FUND," having been read throughout, passed Third Reading by a vote of 47 ayes to 4 noes, with Representatives Halford, Kawanakoa, Marumoto and Meyer voting no.

**Stand. Com. Rep. No. 639-96 and H.B. No. 3656, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3656, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Thielen rose to speak in support of the bill, with reservations, stating:

"Mr. Speaker, this sets up the Judiciary History Center Trust Fund. My concern relates to the blind vendors that would possibly be able to operate a concession.

"The blind vendors presently operating in a vending operation shall not be displaced, but to my understanding and we've checked into this, there presently are blind vendors operating out there. In the future, because of this bill, they will be precluded from doing that. I don't think that's good public policy, Mr. Speaker.

"I would hope that as the bill goes over to the Senate, they'll take a look at that aspect and eliminate that restriction on having the blind vendors operate the Judiciary History Center concessions.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3656, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY HISTORY CENTER," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 640-96 and H.B. No. 3835, HD 1:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3835, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Ito rose in support of the bill and requested that his remarks in favor of H.B. No. 3834 (Conf. Com. Rep. No. 625-96) be referenced in the Journal for this bill, and the Chair "so ordered."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3835, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE POLICY CONCERNING THE UTILIZATION OF VOLUNTEER SERVICES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 641-96 and H.B. No. 3890, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3890, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"This bill enjoys the State administration, the University, the National Guard and their many friends throughout the State, especially the two principal sponsors of the bill -- Representative Mary-Jane McMurdo and Representative Marcus Oshiro. We had to decide on how to approach this bill, and it was fortunate that the administration has made provisions in the budget for scholarships for the National Guard.

"The bill provides for the administration of the tuition waiver program in the State Department of Defense and is within the budget of the State Department of Defense. The University will benefit from these many students who are much more mature than average and the Guard will benefit by being able to track and retain recruits.

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

"Thank you, Mr. Speaker."

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

"I want to thank Representative Lee and his committee for putting this bill together. I think that the National Guard is extremely important to this State as in no other except possibly Alaska. They are the first line of defense in all natural disasters and also in time of war, and this has been proven in the past.

"They sacrifice a lot. They sacrifice many weekends a year and two weeks a year to go in special training, and some of you may not know but not only does the Guards stand ready in times of civil unrest and war, but the Air Guard is critical to this country because it is the first line of defense at all times against any foreign enemy attack and the Hawaii National Guard happens to be the furthestmost outpost, so I think these young men and women deserve this, and thank you again."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3890, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3538, 3579, 3611, 3648, 3656, 3835 and 3890 had passed Third Reading at 11:03 o'clock a.m.

**Stand. Com. Rep. No. 642-96 and H.B. No. 2394, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2394, HD 1, entitled: "A BILL FOR AN ACT RELATING TO

HEALTH," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 643-96 and H.B. No. 3177, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3177, HD 2, entitled: "A BILL FOR AN ACT RELATING TO OSTEOPATHIC MEDICINE," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 644-96 and H.B. No. 2636, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2636, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 645-96 and H.B. No. 3182, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3182, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONCESSIONS ON PUBLIC PROPERTY," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 646-96 and H.B. No. 3211, HD 1:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3211, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"I note the presence of Councilman Jimmy Arakaki in the gallery and I am sure that this bill will have some interest to him.

"Mr. Speaker, this is a fairness bill. It requires all counties to have a fair, defensible impact fee ordinance in place that clearly defines the reason for the fee, a rational nexus for the fee, and a timetable to expend the fee.

"By this bill, the application of impact fees will be applied in an equitable manner and that the criteria for imposition of the fee will be understood by all affected.

"Counties will have one year from the approval date of this bill to have the ordinance in place which gives them ample time, and I know that most counties in this State have been struggling with this issue for a number of years, and this just gives them a shove in the right direction.

"I ask my colleagues' support for this bill.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3211, HD 1, entitled: "A BILL FOR AN ACT RELATING TO IMPACT FEES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 647-96 and H.B. No. 3438, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3438, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SUPPLEMENTARY APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 1996," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 2394, 3177, 2636, 3182, 3211 and 3438 had passed Third Reading at 11:04 o'clock a.m.

**Stand. Com. Rep. No. 648-96 and H.B. No. 3540, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3540, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 649-96 and H.B. No. 3542, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3542, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GARNISHMENT OF INMATE MONEYS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 650-96 and H.B. No. 3548, HD 1:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3548, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"Mr. Speaker, House Bill 3548, House Draft 1, is one more emergency appropriation that would be unnecessary if there had been appropriate prior planning. We must end these stop-gap measures that try to fix the symptom and not the problem.

"Our constituents are overtaxed and our government is still bulging at the seams. When are we going to start cutting, rather than trimming a little here, snipping a little there around the edges? If we would just let the private sector build and manage prisons -- as the Governor suggested in his State-of-the-State address -- one piece of government could be done away with. Not only that, but while the private sector was building prisons with private capital, they would create business opportunities and create more jobs for the people in our State. Instead of moving in this direction, we are solving our problem by shipping our money and our prisoners out of state and giving the business opportunities and jobs to the people in the state of Texas.

"No privately run business, or prison for that matter, can spend money it does not have, and yet, that is something we do in state government routinely. Our State prison system knew what their budget was, yet they spent more than they had and now they are here at the Legislature again asking for more money to pull them out of the financial problem they find themselves in today.

This is not the way an efficient government should be run. And it is not the way accountability comes about.

"Thank you, Mr. Speaker."

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

"Mr. Speaker, in the best of all worlds, it would be wonderful if we could predict what decisions the courts are going to be making with the caseload of what prisoners will be sentenced, and to predict it one year in advance, Mr. Speaker. That would be wonderful in the best of all worlds.

"However, fortunately, the judicial system is separate from the Department of Public Safety. We intended them to be separate. We intended them to make decisions based upon the evidence of cases and not upon whether or not there is sufficient bed space in prisons. And when those prisoners were finally turned over to the Department of Public Safety, we compelled them to provide bed space for these inmates to ensure that the general public is safe as well. In the face of that, we appreciate the suggestion that privatization perhaps is one way of dealing with the problem of overcrowding.

"We acknowledge also that when the Department of Public Safety reached critical mass and ran out of bed space, that in fact what they did in October of 1995 when they identified that they had exceeded the capacity, they made an agreement with Newton County, Texas, for the housing of up to 300 inmates. In that agreement, Newton County will charge the State \$42 per day per inmate which is lower than the housing of them here.

"Perhaps, in the future, we may be able to have more bed space but in the meantime, adequate care is taken with State revenues to fund bed space, adequate care is taken to assure that our prisons are safe, healthy and clean, and adequate care is taken, I believe, by all those members that will vote for this appropriation to assure that the corrections population meets the needs of the Department of Public Safety.

"Thank you."

Representative Case then rose and stated:

"I rise in support of this measure and wish to supplement briefly the remarks of the previous speaker.

"To clear up a misconception, I believe, by the Representative from Kahaluu, this bill is deceptive in that it implies that there has been waste in the Public Safety Department and that, therefore, the Public Safety Department has come back to us for another \$2.5 million.

"This is instead the money for this fiscal year for sending the prisoners to Texas, and I do not believe that the Representative from Kahaluu disagrees with the principle of that decision, which is to provide more bed space. Where she and I probably also find common ground is that this could well have been done in Hawaii, on the basis of some form of privatization. But I think it is important to note that we have, in fact, privatized a portion of the prisons by utilizing a private facility, although granted not in this state.

"The major point that I want to make is that this is simply an additional appropriation which was the result of the Department of Public Safety not having come to us last year, before the Department knew it was going to do so, to appropriate moneys for the moving of the 300 beds to Texas.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3548, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR PUBLIC SAFETY," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 651-96 and H.B. No. 3562, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3562, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE COLLECTION OF DELINQUENT TAXES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 652-96 and H.B. No. 3584, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3584, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII TUITION AND FEES SPECIAL FUND," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 653-96 and H.B. No. 3616, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3616, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LEAVE SHARING," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 654-96 and H.B. No. 4100, HD 1:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 4100, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"The only question I want to raise, and I hope it will be looked at as the bill goes over to the Senate. It appears that the bill clearly exempts goods and services from the Procurement Code.

"There is another statutory provision that gives our local vendors a preference, and it is a percentage preference if they come in within a certain percentage of the bid, the local vendors get the job. I want to know how this would interplay with that and if we would, in fact, be hurting our local vendors. I don't think that would be a good idea, Mr. Speaker, if it were doing that.

"Thank you."

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

"The University of Hawaii Press is one of the fifty top university press throughout the country. It is the leading publisher of books and studies on Asian and Pacific subjects and languages. In order to compete with other publishing houses, it has to have recourse to quick and

efficient vendors such as editors, proofreaders and the like.

"This bill is aimed to give the University of Hawaii exactly what many in this House, as well as outside this House, have asked for, and that is privatization. In other words, this is a commercial publishing house that needs to have the type of even level playing field in order to compete with its counterparts on the Mainland.

"And may I add that its most successful publication at this time is, 'Who Runs the University?' For those of you who are interested, we have copies in our office at a very large discount.

"Thank you, Mr. Speaker."

Representative Thielen, in response, stated:

"It would be unfortunate if our esteemed University of Hawaii Press were to produce documents prepared by vendors in every state except in Hawaii. That's my concern."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 4100, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PUBLIC PROCUREMENT CODE," having been read throughout, passed Third Reading by a vote of 50 ayes to 1 no, with Representative Pepper voting no.

The Chair directed the Clerk to note that H.B. Nos. 3540, 3542, 3548, 3562, 3584, 3616 and 4100 had passed Third Reading at 11:14 o'clock a.m.

At 11:15 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:17 o'clock a.m., the Vice Speaker assumed the rostrum.

**Stand. Com. Rep. No. 655-96 and H.B. No. 2584, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2584, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH AND THE ENVIRONMENT," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 706-96 and H.B. No. 3065, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3065, HD 2, entitled: "A BILL FOR AN ACT RELATING TO NURSES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 707-96 and H.B. No. 3406, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 3406, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DEGREE GRANTING INSTITUTIONS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 708-96 and H.B. No. 2647, HD 1:**

By unanimous consent, action was deferred to the end of the calendar.

**Stand. Com. Rep. No. 709-96 and H.B. No. 2830, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2830, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII WATER CARRIERS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 710-96 and H.B. No. 2642, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2642, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES' HEALTH FUND," having been read throughout, passed Third Reading by a vote of 51 ayes.

At 11:18 o'clock a.m., Representative Thielen asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 11:19 o'clock a.m.

The Chair directed the Clerk to note that H.B. Nos. 2584, 3065, 3406, 2830 and 2642 had passed Third Reading at 11:20 o'clock a.m.

**Stand. Com. Rep. No. 711-96 and H.B. No. 2658, HD 3:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2658, HD 3, entitled: "A BILL FOR AN ACT RELATING TO DRIVER'S LICENSES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 712-96 and H.B. No. 2710, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 2710, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative McMurdo rose to speak against the bill, stating:

"I do understand that the purpose of this bill is to see that no one gets paid where the State is not contributing so that a husband and wife who work for the State get dual benefits. But because of the way the law is written, it says that they do not have to pay the state or the counties for any employee beneficiary or dependent beneficiary who is covered by another health benefit plan or a spouse's benefit plan.

"I will have to vote no. I hope I will be able to vote yes on this after conference if they clarify about supplementary insurance, or where people stand on Medicare and, believe it or not, there are some people in this system who are eligible for Medicare, and you're looking at one of them. I realize that's rare in the Legislature, but it's not necessarily rare in all the other thousands of state and county government employees, and I ask my colleagues and the chairs of the committees to look very carefully at this.



"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2710, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES' HEALTH FUND," having been read throughout, passed Third Reading by a vote of 46 ayes to 5 noes, with Representatives McMurdo, Shon, Takai, Takumi and Tarnas voting no.

**Stand. Com. Rep. No. 713-96 and H.B. No. 2729, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2729, HD 2, entitled: "A BILL FOR AN ACT RELATING TO FORFEITURE," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 714-96 and H.B. No. 3153, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3153, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 715-96 and H.B. No. 3335, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3335, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PLANT AND NON-DOMESTIC ANIMAL QUARANTINE," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 716-96 and H.B. No. 3424, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3424, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LIQUIDATION OF INSURERS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 717-96 and H.B. No. 3527, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3527, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MARINE LIFE," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 2658, 2710, 2729, 3153, 3335, 3424 and 3527 had passed Third Reading at 11:23 o'clock a.m.

**Stand. Com. Rep. No. 718-96 and H.B. No. 3532, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3532, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE PARKS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 719-96 and H.B. No. 3612, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3612, HD 2, entitled: "A BILL FOR AN ACT RELATING TO RETIREMENT SYSTEM MEMBERS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 720-96 and H.B. No. 3916, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3916, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 800-96 and H.B. No. 593, HD 1:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 593, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"Mr. Speaker, why fix something that is not broken? We have a good system with a non-voting student member on the Board of Education. A student representative on the Board compares to the public coming to testify in our committee hearings. They give us valuable input. They help us with our decision-making, but we don't let them vote. One reason is that people who testify bring us a particular perspective. Board members, like legislators, need to consider the larger picture, not represent the interests of one group alone. Besides students, there are teachers to consider, and parents.

"Furthermore, it is unreasonable to expect that high school students can truly represent all types of students. Chances are that they will know little about the educational issues facing elementary schools today. In fact, Mr. Speaker, I think it would be irresponsible for us to place that much responsibility on the student representative.

"There is also a problem with numbers. Right now the Board of Education has 14 voting members, which means the Board needs seven members to make up a quorum. With an additional voting student member, the quorum will require eight members, which would be more difficult to achieve.

"I propose that we not pass this bill, that we leave the non-voting student representative as it is -- fair to the student representative and beneficial to the Board.

"Thank you, Mr. Speaker."

Representative Case 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 Case's remarks are as follows:

"Mr. Speaker, I rise to speak in opposition to House Bill 593, HD 1, which would authorize voting by the student member of the Board of Education.

"Mr. Speaker, I am the first to recognize that the inclusion of a non-voting student member on the Board of Education has been a success. In committee hearings on this proposal, I, like my fellow committee members, was impressed by the presentation of students in support of the bill. And I also acknowledge the inherent appeal of the proposal.

"But I believe that we must face some basic facts. Administration of our state education system is a \$1 billion per year business. Where and how that money is spent is of vital importance to many individuals and businesses. Difficult and emotional non-financial issues, such as the role of various religious teachings in the curriculum, also loom large.

"The ability and desire of the various interested parties to influence the discussion and vote on the disposition of such issues cannot be disregarded. As just one example, a former student Board of Education member testified that representatives of the Department of Education had approached her, even though she was a non-voting member, with respect to affecting the resolution of certain issues.

"That is clearly an untenable position in which to place a seventeen year old student. One can only imagine the increased complexities and difficulties which would accompany voting rights.

"I recognize that the bill provides the student member may not vote on issues 'directly pertaining to either fiscal or personnel matters.' This may be a step in the right direction, but an incomplete one. For example, would the student be entitled to vote on a policy decision to privatize the school system?

"This exception is just an open invitation to endless interpretation and dispute. And neither that provision nor the remainder of the bill adequately addresses the problems which would inevitably arise from the intense lobbying to which the student member would be subjected.

"Thus, for these reasons, and also for many of the same basic reasons that we have made various judgments on the age of majority and other rights and privileges, I must oppose this proposal.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 593, HD 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE X, SECTION 2, OF THE HAWAII CONSTITUTION, TO ALLOW THE STUDENT MEMBER OF THE BOARD OF EDUCATION TO VOTE," having been read throughout, passed Third Reading by a vote of 48 ayes to 3 noes, with Representatives Case, Hamakawa and Meyer voting no.

**Stand. Com. Rep. No. 801-96 and H.B. No. 2972, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2972, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COUNTY CIVIL FINES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 802-96 and H.B. No. 3283, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3283, HD 2, having

been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"I want to simply note that this particular bill simply gives further clarity to what is occurring in Hawaiian affairs throughout the State with regard to Hawaiian sovereignty.

"It redefines the word 'plebiscite' with a more user friendly terminology of native Hawaiian vote, and I encourage the members to continue to support the movement forward towards establishing or recognizing, or otherwise determining the future of Hawaiians here in the islands.

"Thank you, Mr. Speaker."

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

Representative M. Oshiro's remarks are as follows:

"This bill initiates a native Hawaiian election to allow Hawaiians to determine their will to be governed as a sovereign nation of their choosing.

"For the record, I do not have a problem with calling the native Hawaiian election a 'vote' or 'plebiscite,' as the effects of such an election would be similar. I do, however, have a serious problem with allowing this election to be administered on rules that are exempt from the Chapter 91 Administrative Procedure provisions. This means that the appointed council will have the full authority to make rules and procedures without any public input if they so desire. I feel that this is bad public policy.

"The integrity of an elections process is only as solid as the foundation it is based upon. If we allow this to move forward, I have concerns that the foundation for this election will be so unstable, the State will end up paying for this in the form of a lawsuit at the conclusion of the election.

"I realize that the purpose of this bill is to assist native Hawaiians with their quest for self determination, and I applaud the present and past Legislature's efforts. I also realize that the purpose of exempting this election from HRS Chapter 11 (our State election laws) is to remove the State from this 'self determination' process. However, if we truly wish to remove ourselves from the process, we should remove ourselves completely by repealing the Act that created this process in the first place."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3283, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN SOVEREIGNTY," having been read throughout, passed Third Reading by a vote of 50 ayes to 1 no, with Representative M. Oshiro voting no.

**Stand. Com. Rep. No. 803-96 and H.B. No. 3470, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3470, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Pepper rose to speak against the bill, stating:

"Mr. Speaker, to quote from the committee report: 'The purpose of this bill is to preserve the anonymity of subject matter consultants who assist in the preparation and rating of civil service applications and examinations.'

"In the body of the bill, Mr. Speaker, there is language which indicates that the actual identity or information which could lead to the identity of these consultants is to remain confidential.

"Mr. Speaker, our government, if it is to remain democratic, must be open. This bill which says that there is no right for the people to know who is giving the government advice and in particular advice about civil service applications and examinations. So not only would we not know who these people were who were giving the government advice, but we would not know about any biases they might have in which they might introduce the selection of those who will work for us in the civil service.

"This bill looks innocent, but government cannot remain the government of the people if it operates in secret.

"I urge a no vote and remind my colleagues that it is not too late to vote no on this measure.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3470, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EXAMINATION CONSULTANTS," having been read throughout, passed Third Reading by a vote of 42 ayes to 9 noes, with Representatives Hamakawa, Hiraki, Kahikina, Pepper, Saiki, Shon, Takai, Tarnas and Thielen voting no.

The Chair directed the Clerk to note that H.B. Nos. 3532, 3612, 3916, 593, 2972, 3283 and 3470 had passed Third Reading at 11:29 o'clock a.m.

**Stand. Com. Rep. No. 804-96 and H.B. No. 3529, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3529, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AQUATIC RESOURCES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 805-96 and H.B. No. 3533, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3533, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BOATING," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 806-96 and H.B. No. 3580, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3580, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ADJUDICATION OF VEHICULAR TRAFFIC VIOLATIONS AT PUBLIC AIRPORTS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 807-96 and H.B. No. 3601, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3601, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ABANDONED PROPERTY," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 808-96 and H.B. No. 3603, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3603, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 809-96 and H.B. No. 3618, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3618, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Thielen rose and stated:

"I'm rising to speak in favor of House Bill 3618, House Draft 2, but I have one concern, Mr. Speaker.

"If you will turn to page 4 of the bill, it appears to preclude anyone from introducing legislation that may be of the same subject matter that the committee also determines whether to introduce. If you look at lines 15 through 17, it says, 'Only by a majority vote of the committee shall legislation be introduced to amend or enact legislation pursuant to this section.'

"I am concerned about that because, by implication, it says, no member then can introduce legislation dealing with the same subject that this committee may decide to either oppose or introduce.

"I think that as this bill goes forward that ought to be clarified, because I think this language, as it stands, plainly would be illegal.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3618, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE RULES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 810-96 and H.B. No. 3638, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3638, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STADIUMS," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3529, 3533, 3580, 3601, 3603, 3618 and 3638 had passed Third Reading at 11:31 o'clock a.m.

**Stand. Com. Rep. No. 811-96 and H.B. No. 3763, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3763, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

Representative Meyer's remarks are as follows:

"I would like to express my reservations about House Bill 3763, HD 2. I believe this bill is premature and too hastily put forth. We need to give the discussion of water uses ample public input, as well as insuring that work currently being done by the Commission on Water Resource Management is given due consideration.

"The island of Oahu has not yet had public hearings on the findings of the Review Commission on the State Water Code. In order to insure fair access and participation, we should be sure to hear from all interested parties before moving forward with legislation that will affect the process of the Commission on Water Resource Management.

"Furthermore, I fear that legislation such as House Bill 3763, HD 2, might unfairly influence the results of the contested case hearings on Waiahole. The bill has been amended to establish July 1, 1997, as the date to determine whether a contested case is appealed to the Circuit Court or to the Hawaii Supreme Court. Though this later date was inserted to insure the possible change would not affect the Waiahole case, I am concerned that the contested case or related matters may still be before the Commission on Water Resource Management at that time.

"I vote in favor of this bill, but with the above reservations and ask this body to consider these concerns when legislation affecting water use comes before us again.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3763, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE STATE WATER CODE," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 812-96 and H.B. No. 3862, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3862, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL DISCIPLINE," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 813-96 and H.B. No. 2433, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 2433, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIERS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 814-96 and H.B. No. 2627, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the

Committees was adopted and H.B. No. 2627, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 815-96 and H.B. No. 2726, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 2726, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE AUDITOR," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3763, 3862, 2433, 2627 and 2726 had passed Third Reading at 11:32 o'clock a.m.

**Stand. Com. Rep. No. 816-96 and H.B. No. 2575, HD 2:**

By unanimous consent, action was deferred to the end of the calendar.

**Stand. Com. Rep. No. 817-96 and H.B. No. 3207, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3207, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"Mr. Speaker, there are several hundred millions of dollars that have been appropriated, funded for worthwhile state CIP projects, including schools. These projects are hung up in a very difficult state regulatory building permit process. The state regulatory building permit process, the arteries of this system are clogged and in desperate need of angioplasty to clear them up.

"When we first started looking at this issue, we looked at both the county building process and the state regulatory process as it applies to building permits. The first start was to just give blanket approval to any set of plans that was stamped by a licensed architect and engineer. Those licenses covered the scope of work included in the plans and deemed them to be in compliance with all state, county and federal regulatory rules and regulations and issue the permit.

"This brought an outcry from architects and engineers that said there was no way in the world that they could ever understand the complexities of the rules and requirements in the state regulatory system. So we tried to concentrate on where the problem really is, and the problem really is the state agencies.

"So what this bill does is, it establishes an informal task force made up of state regulators, of licensees -- architects, engineers -- builders and construction unions, to take a look at all of the state rules and regulations, to try to clear up contradictions between those rules, to try to establish a more orderly process to implement those rules and get the information out to the licensees, and to attempt to move all of the regulations into approval by rule so that every licensee, every applicant, would know exactly what was expected of he or she. And those that have to remain subject to review, every effort would be made to try to develop the rules to move them into approval by rule rather than by review.

"The other thing that the bill calls for is to eliminate the need for a county building permit for all state buildings on state land not dedicated to any county except where it impacts on county services such as roads and water.

"The whole effort here is to get this money that's already been appropriated and approved out to those contractors that are ready to do the work, and to all of those people that work in the construction industry to put them to work. This is an effort to try to expedite the process at the tail end of the process and has nothing to do with environmental issues -- it has nothing to do with EIS's or EA's. This is the tail end of the process which, in some cases, can drag on for two to three years, and I urge your support on this bill.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3207, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 818-96 and H.B. No. 2746, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2746, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TASK FORCE FOR HAWAIIAN SERVICES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 819-96 and H.B. No. 2820, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2820, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 820-96 and H.B. No. 2821, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2821, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONSERVATION EASEMENTS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 821-96 and H.B. No. 3173, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3173, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 822-96 and H.B. No. 3602, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3602, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3207, 2746, 2820, 2821, 3173 and 3602 had passed Third Reading at 11:36 o'clock a.m.

**Stand. Com. Rep. No. 823-96 and H.B. No. 3604, HD 1:**

By unanimous consent, action was deferred to the end of the calendar.

**Stand. Com. Rep. No. 824-96 and H.B. No. 4031, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 4031, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"As this body may remember, I initially spoke in opposition to this measure because I thought it would cause money problems for infrastructure and health concerns for our communities that would like to have an extra single-family dwelling on their agricultural lots or other country-zoned lots. It was expressed to me the need for these housing concerns and I agree with the need, but I was concerned about how a bill would implement restrictions or otherwise protect on the matter of public safety and health care concerns.

"After reviewing House Draft 2, I think we've pretty much remedied the concerns. The Mayor and the Council can designate various areas that need more housing to get people off the beach, get them into homes, get families living with families, and I would support this measure, especially because it seems to mirror the ohana zoning for residential lots. It seems to take the same language, it's in the same area of the law that authorizes the City and County to enact ohana zoning. So I believe we've extended the notion of ohana zoning to agricultural lots and country lots, and for that I think it's a progressive bill.

"Thank you, Mr. Speaker,"

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 4031, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ZONING," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 825-96 and H.B. No. 4003, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 4003, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GREENWAYS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 826-96 and H.B. No. 2694:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the joint report of the Committees was adopted and H.B. No. 2694, entitled: "A BILL FOR AN ACT RELATING TO MOPEDS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 827-96 and H.B. No. 3145:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the

Committee was adopted and H.B. No. 3145, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 10, OF THE CONSTITUTION OF THE STATE OF HAWAII TO FORMALLY REFER TO THE AUDITOR AS THE LEGISLATIVE AUDITOR," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 828-96 and H.B. No. 3333:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3333, entitled: "A BILL FOR AN ACT RELATING TO FEED," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 4031, 4003, 2694, 3145 and 3333 had passed Third Reading at 11:40 o'clock a.m.

**Stand. Com. Rep. No. 829-96 and H.B. No. 3506:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3506, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE DRIVER LICENSING," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 830-96 and H.B. No. 3724:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3724, entitled: "A BILL FOR AN ACT RELATING TO THE KAHOLAWE ISLAND RESERVE COMMISSION," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 831-96 and H.B. No. 3812, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3812, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE SAFETY," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 832-96 and H.B. No. 2731, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2731, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OMBUDSMAN," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 833-96 and H.B. No. 2839, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 2839, HD 2, having been read throughout, pass Third Reading, seconded by Representative Amaral.

Representative Case rose to speak against the bill, stating:

"This bill authorizes hunters to use handguns in hunting, and I want to make a personal confession before I proceed. My name is Ed and I am a hunter. I have shot pheasants and goats on the Big Island in my long-ago youth. I say this only to indicate that opposition to a

bill of this sort doesn't fall purely into the Bambi category. I also want to emphasize that Representatives from urban Honolulu do sometimes have experience with guns.

"I oppose this bill for three basic reasons. The first is that by enacting this bill, we are essentially sanctioning the proliferation of what nobody can argue is the most lethal weapon in our society today -- the handgun. Eighty percent of all violent crimes committed nationally with guns involve handguns, and we have therefore wisely restricted their use in Hawaii -- the use and their circumstances under which they can be owned and transported. And yet, with this bill, we are expanding the scope of that use and the scope under which these guns can be transported from place to place, and I don't think it's worth it from that perspective.

"The second reason is perhaps more compelling to me because I think we can probably debate and reach some form of consensus on when hunters would be able to use handguns. Specifically, we're really putting the cart before the horse with respect to the Board of Land and Natural Resources which is going to have to administer this bill. Essentially, the Board of Land and Natural Resources came before us and asked for time to study this very complicated issue. It may seem simple but it's not. It's a question of how you transport, how you supervise, how the criminal penalties apply, and the Board basically asked us for one year to go ahead and try and get into that and investigate what other states had done, and we are basically saying to them, no, we are making the policy decision right now, that we are going to proceed. Now the effective date -- the proponents argue -- is 1997 and, therefore, they argue we are giving the Board time to work it out. But all we've really done is given the Board time to work out rules which will effectuate a policy decision, which we are making today that we will allow it. To me, that's not going in the right order and is not wise under the circumstances.

The third major reason is simply that we are not respecting the legitimate concerns of the agents in the field -- the Board of Land and Natural Resources' agents -- who must go out there and enforce the hunting laws and other laws on our conservation lands. Now, they came before us and said they felt threatened from a bill like this. They felt threatened because oftentimes they are out there with a lot of guns and they are out there alone. They don't go out there in packs. And what they are saying is handguns can be concealed, and they are saying, give us time to try and work this problem out. And we're saying no to them.

"For those three reasons, I don't believe that this is a wise bill at this time. Perhaps with time, perhaps with working this thing through, we can come to some consensus, but we don't have that now; we shouldn't proceed.

"Incidentally in conclusion, and with reference to a proposed constitutional amendment at the end of tonight's calendar, I want to note that the public opinion polls in our state consistently recognize that somewhere between sixty and seventy percent of those polls do support much further restrictions on handguns. I would therefore suggest that we consider a constitutional amendment to remove the offending language from our Constitution which the proponents of handgun ownership assert guarantees their right to retain handguns.

"Thank you."

Representative Shon then rose and stated:



"This former hunter is convinced by the previous speaker, and I would like the Clerk to cast a no vote for me on this bill, and the Chair "so ordered."

Representative Thielen then rose and stated:

"I concur with the Representative from Manoa's three points.

"The police came in and cautioned us not to pass this bill. The Department of Land and Natural Resources asked us to vote no on the bill, and I vote no on the bill, Mr. Speaker."

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

"This gun owner/hunter represents a great number of people that hunt to put food on the table.

"I was concerned about the Department of Land and Natural Resources' comments, and I had an opportunity to discuss some of the issues with them after the hearing. It seemed to me that the delay they asked for was just that. For example, I asked, 'What is the definition of a concealed weapon?' And they said, 'Well, that's one of the things that we have to research.'

"Well, if somebody who is charged with enforcing these kinds of statutes in the State of Hawaii doesn't know the definition of 'concealed weapon,' then I think they had better go back and learn the job.

"Thank you."

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

"I am just as concerned about the safety of our enforcement officers, but I don't think you're going to find the criminals up in the mountains. They're not the ones that are going to be using these weapons in manners that would be detrimental to our safety officers. These are the ones that are actual hunters. They will be licensed as hunters. Criminals will not take the time to become licensed hunters.

"There is a concern of the safety up in the mountains with any type of weapons. Handguns are short-range weapons. There is a much greater concern with rifles because you can shoot from a mile or two away.

"The reason I stand in support of this, Mr. Speaker, is because many of the hunters on Kauai, and one that is a personal friend of mine, as he carried his pig out of the mountain -- about a 200 pounder over his shoulders -- his rifle got caught on one of the branches of the tree and shot him in the leg. As we talked about it, he said if he had been able to use a pistol, he would not even have had a rifle with him. He would have been much safer up in the mountains, as he used his dogs for hunting and he used a pistol to end the pig's life, then carry it out in a much safer manner.

"For those of us on the outer islands, we deal with a lot of this type of terrain. It is a safety issue for many of our hunters and I think that needs to be looked at as well.

"Thank you."

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

"I did not want the Journal to reflect that I was not concerned with otherwise the safety of our public and our citizenry with regard to proliferation of handguns. With

that, I concur wholeheartedly with the Representative from Manoa.

"However, I believe this is a little different situation, and that people are hunting in the mountains and not carrying their guns and causing 85 percent of the crimes which are committed in non-hunting areas. So with that understanding, I will be voting yes on this measure.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2839, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HUNTING," having been read throughout, passed Third Reading by a vote of 43 ayes to 8 noes, with Representatives Anderson, Case, Chun Oakland, Lee, M. Oshiro, Shon, Takai and Thielen voting no.

**Stand. Com. Rep. No. 834-96 and H.B. No. 2895, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2895, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL PROTECTION," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 835-96 and H.B. No. 2897, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 2897, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Swain rose to speak in support of this bill, stating:

"Mr. Speaker, I participated in the Kauai Dental Health Task Force this year and this is where this bill came from. It came from professionals in the dental business, in the medical business, from schools, from health care organizations.

"The State of Hawaii is experiencing a dental health breakdown. We are considered one of the worst, if not the worst, in dental health in the State of Hawaii. Kauai especially, has one of the worst degrees of baby-bottle tooth decay syndrome in the nation. The national average, Mr. Speaker, is 16 percent. In some parts of the island of Kauai, it is as high as 44 percent.

"As we looked at this issue, one of the recommendations that came up was the fluoridation of the water of the State of Hawaii, which we decided was not a battle that we would want to tackle this year. And so an alternative was to get early care for those that are entering the school system. We asked that this be part of the prerequisites of entering the schools along with the medical examinations and others. This bill has evolved through the system and it is required now, but it would not exempt any student from going to school if they did not have the certificate from a dental health person.

"The bill is still a strong bill in that we are trying to get parents to realize that their children need to have dental care, and that they need to teach them this. I am proud to support this because I think it will make a big difference in the dental health of all of the children of the State of Hawaii.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2897, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3506, 3724, 3812, 2731, 2839, 2895 and 2897 had passed Third Reading at 11:51 o'clock a.m.

At 11:51 o'clock a.m., Representative Arakaki asked for a recess and the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 11:52 o'clock a.m., Representative Arakaki was permitted a late introduction and on behalf of all the 'Uchinanchus' (Okinawans) here, "I would like to welcome the students from Okinawa participating in a sister/state student exchange program. Like Hawaii, Okinawans have a cultural history and spirit that's distinct from their mainland counterparts, and I think a lot of us realize that they are also involved in a lot of issues dealing with the military recently. But they are here to learn about our culture and about the American culture as part of the sister/state relationship," and introduced the following: Mr. Hajime Amuro, Assistant Superintendent of the Okinawa Prefectural Board of Education; Mr. Nobuyoshi Uehara, teacher/supervisor; Mr. Seishoo Hanashiro and Miss Harue Hayashi, English teachers and chaperones; a group of 30 students from different high schools in Okinawa; and Ms. Lana Mito, student activities coordinator of the Department of Education.

Representative Arakaki continued, saying:

"I would like to acknowledge, Mr. Speaker, that these programs do not work without the cooperation of host families, and the host families are from Punahou, Leilehua, Mililani, Moanalua, Pearl City, Kalaheo, Kailua, Castle and Kahuku."

**Stand. Com. Rep. No. 836-96 and H.B. No. 3941, HD 1:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3941, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

The following remarks by Representative Kawakami, in strong support of the bill, were submitted to the Clerk for insertion into the Journal:

"Mr. Speaker, I rise to speak in strong support of H.B. 3941, HD 1, relating to forest reserves.

"In view of our current financial constraints, it is crucial for the State to come up with innovative ways to fund programs which protect and promote Hawaii's beauty. This bill before us does just that. By reinvesting income from the sale of forest reserves and products, as well as from the sale of tree seedlings from State nurseries, the State can enhance the current management of our public forest reserves, establish demonstration forest areas, and distribute environmental education material.

"With the Department of Land and Natural Resources supporting this bill and proposing the responsible salvage of dead and/or dying trees in certain forest reserves, the impact on our fragile environment is minimal and in many ways beneficial. A prime example would be the forest reserves on Kauai, which were decimated by Hurricane Iniki. Select harvesting of the dead trees in certain areas would mitigate future fire hazards and

provide additional income to protect our native plants from alien weeds. Harvesting of alien forest plantations in other areas can provide the additional income to restore our native forests and watersheds.

"I urge your strong support for this measure.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3941, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FOREST RESERVES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 837-96 and H.B. No. 3204, HD 3:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3204, HD 3, entitled: "A BILL FOR AN ACT RELATING TO INVESTMENT OF STATE AGENCY FUNDS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 838-96 and H.B. No. 3299, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3299, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEE STOCK OWNERSHIP PROGRAMS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 839-96 and H.B. No. 3366, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3366, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM UNCLAIMED PROPERTY ACT," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 840-96 and H.B. No. 3402, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3402, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Kawanakoa rose to speak against the bill, stating:

"This particular bill increases by one percent a tax on any annuity that we have in our islands. I think that is just a new tax, another attempt at finding more revenues from our beleaguered citizens. I think it's improper for us especially to go and basically jerry-rig what people have been depending on in the past and have gone on good faith in saving by purchasing annuities and paying when they're younger, paying some of their hard-earned after tax dollars to buy annuities and then to subsequently have a lot of this be taken away. It's basically reaching into our elderly's savings accounts and taking that money out so that we can fund our over-sized government.

"I think it's important for us to keep that in mind, that there is a lot of areas that we should reduce our taxing.

"And I would also like to note that our elderly are a great industry. It is something to embrace with open arms. Our elderly community are law-abiding people, for the most part. They don't have any school kids that we need to educate and spend resources on. They pay their general excise taxes, they use our medical facilities or professionals and usually pay for their care -- the retirees that are coming here that have the pensions that we want to tax. For the most part, they stay off welfare, and they are also one of our greatest sources for volunteer services.

"So I think when we turn to our community and say that we want to continue funding our government, or we want to fund it on the backs of the elderly, to reach into their savings account, albeit an annuity plan, I think that's improper, and we really need to focus on the services that we do provide and make the hard decisions that we must.

"Thank you, Mr. Speaker."

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

"Mr. Speaker, what House Bill 3402 does is. . . well, basically, it has four major components. It has a taxation on annuities; the elimination of a monthly premium tax payment method; clarification of penalties for late filings; and the requiring of insurance for surplus lines brokers to pay premium taxes on a quarterly basis.

"I would point out that taxation on annuities generate approximately \$2.8 million in revenue. In addition, I would point out that twenty other states tax annuities.

"The additional language in here that deals with the monthly premium tax payment is going to be a cost savings for the insurance division and, as a result, we see support for that portion of it.

"Whether we like it or not, we are in need of revenues. This is a mechanism that provides additional revenues. It is not one that is unusual, as previously pointed out. We believe it is a necessary step forward, and we ask all members to support this measure.

"Thank you."

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

"Probably three simple words, being that we are the highest taxed state in the nation, paying the highest taxes for our disposable income. The three words are: NO NEW TAXES.

"I think the message is very clear for what the people of Hawaii want to say, and we have repeated."

Representative Meyer then rose to speak against bill, stating:

"As my Minority Leader has said, we pay the highest taxes in the nation. In addition to that, we pay the highest sewer fees in the nation. We are also number one and number two as far as to the highest cost of auto premiums. After that, since 1992 and Hurricane Iniki, we pay three to four times more for insurance on our homes. We are mightily taxed!

"While the Majority Floor Leader is correct, this bill has four different components -- it is a tax increase. It's an additional cost to a large segment of our population.

"The one percent tax on annuity contracts will increase cost for consumers who purchase annuities. I guess I have different information than the Majority Floor Leader, but I have only nine states that tax annuities and the trend is not to tax these items. Pennsylvania, North Carolina, Alabama and Mississippi have just recently dropped their taxes on annuities.

"Annuities, like pensions, are part of how we plan for retirement and I think that's the rationale why most states don't tax it, because you want to encourage people to be responsible, to make plans, to make every effort to plan for their retirement and not be a drag on society, or to expect somebody else to pay for their retirement.

"The other thing is, while the Insurance Commissioner said, well, the insurance companies will absorb that, I personally feel that that's not the way business is done. It will be passed on and it will be an additional charge.

"This is another attempt to raise revenue. I think we're all aware that we have a shortfall. This is the time we should look at cutting expenses. There's never been a better opportunity to make those hard decisions, and if we continue to look for only ways to raise revenues, we will just put off making the hard decisions which ultimately we will have to do.

"Thank you, Mr. Speaker."

Representative Kawanakoa then rose and stated:

"Mr. Speaker, I need to clear my opposition to this bill. I believe that the other elements regarding the bill that were discussed by the Majority Floor Leader are apropos ... they are correct, they're good ideas, good management of our taxing authority and otherwise.

"However, with regard to an increase in the tax again, I believe that's unwarranted. If we just take a look at what we are trying to do -- we're trying to raise \$2.8 million. If that is the case and if it is not a lot of money, then let's find it within our general fund. Let's find the money. We have to make the tough decisions. Everyone here says we can't add anything to the general fund expenditures. If you want to build on the past House of Representatives, it better not be coming from the general fund.

"Well, I disagree. I think it's time for us, in this emergency state when we have to make the tough decisions, and we're not addressing those decisions. And again, I reference this as a status quo denial as opposed to Democrat denial. But it simply is not addressing the real problems and, instead, reaching out for more revenues from our beleaguered economy and citizenry.

"Thank you."

Representative Isbell then rose and stated:

"Mr. Speaker, I'd like to speak in favor and as a reminder that, when you compare our state with other states, we compare ourselves only with those states who take complete 100 percent tax base and pay all educational costs of our children. There are very few states that do that. I do not know of any other that also takes on all the education costs, which in this state is a billion dollars, nor do I know of any other state that takes care of all the hospitals, especially on the neighbor islands, and considers that part of the responsibility for all citizens of the state.

"Thank you very much."

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

"I think she has spoken well about the way most people have decentralized local autonomy in the control of the educational systems. However, when you look at the charts, when you look at who is taxed, how much, where -- it says, federal taxes, it says state taxes, and it says county taxes. If you want to put Hawaii up against any state with all of those three, notwithstanding what you've said, it's still the highest in the nation. It's undeniable. If you want to put Alaska in because they've got the oil companies throwing in a thousand dollars per capita, sure you can argue Alaska. But anybody who wants to stand on this floor and say that this state is not taxed enough, wake up, that's not the truth! You can explain it away but the reality is, our people are working hard and paying their taxes. . .

At this point, Representative Say rose on a point of order and said:

"Will the speaker address the annuity tax."

Representative Ward responded:

"The annuity tax stinks.

"Thank you very much."

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

"As one of the previous speakers has stated, it provides for efficient administration of the tax structure in this particular field. It provides for closing loopholes, it provides for catching those who refuse or try to use the loopholes to avoid paying taxes, and that's entirely within the realm of better administration, entirely within the principles of not only cutting expenses, but also increasing revenues of those who should really be paying their fair share.

"Regarding the complaints that are being made, our distinguished Representative from East Honolulu has complained that the state refuses to fund tuition waivers for East-West Center grantees. Where do you think the money comes from, Mr. . . what is your name now?

Representative Thielen rose and stated:

"Could he please speak to the bill."

Representative Lee continued, saying:

"And with all due respect to the annuities which we all own, I certainly don't want to pay any taxes on my annuity. But, by gosh, I would pay my fair share because my fair share funds the East-West Center grantees as well.

"Thank you, Mr. Speaker."

At 12:07 o'clock p.m., Representative Ward asked for a recess and the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 12:08 o'clock p.m., the motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3402, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE PREMIUM TAXES," having been read throughout, passed Third Reading by a vote of 44 ayes to 7 noes, with Representatives Anderson, Halford, Kawanakoa, Marumoto, Meyer, Thielen and Ward voting no.

**Stand. Com. Rep. No. 841-96 and H.B. No. 3427, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3427, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ACCREDITATION IN INSURANCE REGULATION," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 842-96 and H.B. No. 3556, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3556, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE TAX LIABILITY OF CONTRACTORS CONTRACTING WITH THE STATE OR COUNTIES," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3941, 3204, 3299, 3366, 3402, 3427 and 3556 had passed Third Reading at 12:08 o'clock p.m.

At 12:09 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 1:12 o'clock p.m., the Speaker resumed the rostrum.

**Stand. Com. Rep. No. 843-96 and H.B. No. 3560, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3560, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAX CREDITS TO FACILITATE REGULATORY OVERSIGHT BY THE INSURANCE COMMISSIONER," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 844-96 and H.B. No. 3755, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3755, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 845-96 and H.B. No. 3935, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3935, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 846-96 and H.B. No. 4118, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4118, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SMALL BOAT HARBORS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 847-96 and H.B. No. 4144, HD 1:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 4144, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"This bill deals with the constitutional amendment that we can float Hawaii Hurricane Relief Fund bonds.

"My comments also go to a companion measure, which is House Bill 4145, House Draft 2, which authorizes these bonds -- \$500 million special purpose revenue bonds.

"I do have questions in my mind and I just wanted to express them. One, can tax free special purpose revenue bonds be used to raise money for an insurance fund? I think not. I have grave reservations about the use of special purpose revenue bonds for this purpose and changing the State Constitution for this purpose.

"Can special purpose revenue bonds be used by a public or quasi-public entity? I have further reservations about this move.

"Even if we do amend our Hawaii Constitution, I do not believe the federal government, specifically the Internal Revenue Service, will allow the use of tax-free special purpose revenue bonds for (1) an insurance fund; and (2) a state program.

"My understanding always has been that special purpose revenue bonds are for use solely by private entities even though the Hawaii Constitution states that special purpose revenue bonds can be used for low and moderate income government housing programs (they are then called the special purpose entity).

"I still question whether we should use these bonds for 'a state property insurance program providing hurricane insurance coverage.' Proponents argue that the Hurricane Relief Fund is not totally a government entity but only a 'quasi-public' body. But to me, that's like being a little bit pregnant.

"My apprehension should not be construed as opposition to the Hurricane Fund. I am in strong support of this important and necessary state program. But I would simply prefer that we utilize plain ole revenue bonds instead of special purpose revenue bonds for this endeavor, or has anybody looked up GO reimburseables. I know that this would be more expensive, but perhaps someone has already looked up this avenue and found a roadblock there. I'm wondering whether these bonds are saleable, their marketability is in question since the bondholder assumes a lot of risk, and perhaps my fears are for naught because no one will buy these bonds.

"But the House Finance Chairman Say has assured me that he would check my concerns with the bond counsel, and should there be questions about the propriety of special purpose revenue bonds' use, that he would recommit this measure. So I thank him for his diligence. Meanwhile, since I do not take amending the Constitution lightly, I think we should examine this proposal closely before its final passage.

"Thank you."

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

"I think it's essential that we look at all avenues to try to refinance the Hawaii Hurricane Relief Fund. The tax-free issue has been addressed by other states, notably Florida.

"As you know, the HHRF has been in existence now for I believe three years. Every year we send \$80- to \$86 million out of the state, right out of our economy, in order to buy reinsurance for the fund, and it is essential that we look at every possible avenue to refinance the fund. And, in his wisdom, the Chairman of the Consumer Protection Committee has invited the manager of the Florida State Fund, a representative from Paragon Insurance that is located in Minneapolis. I believe he is speaking here at 2:30 this Friday afternoon to explore all avenues that Hawaii will have in developing a sound financial format team for HHRF, and I am looking forward to that discussion.

"In the meantime, I think it's essential that we move these issues along.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 4144, HD 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 12, OF THE HAWAII CONSTITUTION, TO ALLOW THE USE OF SPECIAL PURPOSE REVENUE BONDS FOR THE HAWAII HURRICANE RELIEF FUND," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 848-96 and H.B. No. 4085, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 4085, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"I will be brief and submit additional comments to the Clerk, but I wanted to point out to the colleagues here that this is an important pro-community bill. It provides empowerment measures for our community to determine how our quality of life is measured in terms of having different types of activities in our neighborhoods. That's the genesis of this bill, and I want to again support Representative Saiki on this. It was his measure but it's for the urban caucus group that basically supports this measure.

"What happened in McCully/Moiliili was that there were many new licensees for liquor licenses that were being either revisited every other year, that our communities had to basically get petitions, and it involved a lot of time and effort and energy on the part of the community to fight against these continual renewing of permits with the same managers and the same owners of these businesses.

"And what this bill does, if enacted, is it will then empower the community, if it has fought to maintain a certain character of our community, that it puts the burden of proof on the applicants for the renewal of their applications for liquor licenses or to renew their licenses, to prove that there has been a change in circumstances to warrant that kind of revisitation of the issue by the Liquor License Commission.

"So this is a big step to empower all of our communities in determining the character of our neighborhoods.

"Thank you, Mr. Speaker."

Additional remarks of Representative Yoshinaga are hereby inserted:

"This bill, if enacted, will assist my community and others which have fought to preserve the character of their communities and quality of life in our urban neighborhoods. For the past several years, residents in McCully and Moillili have had to repeatedly organize petition drives and submit testimony in opposition to an application for a particular liquor license -- when it was the same group of owners simply using a different name -- at the very same site. Residents should not have to repeatedly come out against inappropriate establishments, when the only thing that has changed is the name of a business -- not the owners, managers or nature of the establishment itself.

"This bill allows the Liquor Commission to consider these types of factors -- when a community has clearly spoken out against a particular type of liquor establishment at a particular location:

- (1) Whether and who has opposed granting of the license;
- (2) The character of the surrounding area -- defined by the existing types of uses, recreation and activity;
- (3) Noise;
- (4) Population density;
- (5) Proximity of the residential area; and
- (6) Traffic congestion and noise.

"Fellow legislators, please support this bill. We ask our citizens to be involved in the political process -- our community residents have been involved -- over and over again. I do not think that is what was intended -- citizens need to see and deserve to see that their involvement brings results."

Representative Thielen then rose and stated:

"For the same reasons enunciated by the previous speaker, I'm rising to speak with reservations on this bill.

"Mr. Speaker, it really is an anti-small business bill. And if you ask people in a community -- do they want to allow an establishment to serve liquor, probably eighty to ninety percent would say no. Yet, those are the very same people that would enjoy going out for dinner. And for those that would like to have a beer or a glass of wine, they would also like to be able to do that. But it can allow a community to really restrict small businesses.

"I think we ought to keep a very good eye on this bill as it goes through, and it may be in the best interest of trying to encourage small businesses in our state to allow this bill to die a decent death."

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

Representative Saiki's remarks are as follows:

"I rise in support of House Bill 4085.

"Some members have characterized this bill as an anti-business one. I disagree. This bill is a pro-community measure, and is intended to protect residents from liquor establishments which are unwanted and/or do not conform to the character of the area.

"This bill proposes that where an individual or entity applies for a liquor license and is denied, the applicant who subsequently reapplies for a license for the same location must evidence a substantial change in circumstances that warrants the granting of the application. In essence, this bill will impose a higher evidentiary burden upon the applicant at the outset. See St. Phillips v. South Caroline Beverage Control Commission, 329 S.E.2d 454 (S. Car. App. 1985); Angel v. Palmer-Ball, 461 S.W.2d (Ky. App. 1971); Hasselbach v. Department of Alcoholic Beverage Control, 334 P.2d 1058 (Cal.2d Dist. 1959); Rice v. Alcoholic Beverages Appeals Board, 144 CalRptr. 851 (Cal. 1st Dist. 1978). This revision is necessary because under present law, the burden is initially felt by residents who disapprove of the application.

"House Bill 4085 also addresses situations where applicants withdraw their applications due to growing community opposition. In such situations, the residents must cease their opposition movements (e.g., petition drives, community awareness campaigns, etc.) and reorganize them when the application is resubmitted. This bill should address withdrawals made for such bad faith reasons by imposing the 'substantial change in circumstances' requirement.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 4085, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 849-96 and H.B. No. 2882, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2882, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE CONVENTION CENTER," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3560, 3755, 3935, 4118, 4144, 4085 and 2882 had passed Third Reading at 1:21 o'clock p.m.

**Stand. Com. Rep. No. 850-96 and H.B. No. 3399, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3399, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 851-96 and H.B. No. 3493, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3493, HD 2, entitled: "A BILL FOR AN ACT RELATING TO NEWBORN METABOLIC SCREENING," having been



read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 852-96 and H.B. No. 3773, HD 1:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3773, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative M. Oshiro rose and requested the Clerk to enter an aye with reservations for him, and the Chair "so ordered."

Representative M. Oshiro continued, saying:

"Just briefly, Mr. Speaker, my concerns on this particular bill arise because during the hearing on this particular bill, I had some concerns on the appropriation and spending of state funds for non-proper purposes such as the promotion of the Hawaiian Sovereignty Elections Council's work to nonresidents of Hawaii.

"I also have some concerns, Mr. Speaker, because of the possible problem that we might run into regarding expenditure of OHA funds for non-OHA beneficiary purposes.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3773, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN SOVEREIGNTY ELECTIONS COUNCIL," having been read throughout, passed Third Reading by a vote of 51 ayes. (Representative M. Oshiro voted aye with reservations.)

**Stand. Com. Rep. No. 853-96 and H.B. No. 3909, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3909, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD PROTECTIVE SERVICES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 854-96 and H.B. No. 3968, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3968, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"This bill sets up a mutual insurance company to sell workers' compensation insurance. I will be voting for this measure, but I would like to express a few reservations.

"I think HEMIC will undoubtedly succeed. It is anticipated that 30 percent of the businesses now in the assigned risk pool will buy coverage from this new mutual. It can also sell policies to other businesses not in the assigned risk pool; in other words, the world. In addition, governmental entities, heretofore self-insured, can now insure through this new company.

"This enabling legislation provides a very favorable financial environment for success. Unlike other companies, it will be exempt from surplus requirements

for the first ten years of its existence. And, according to the language of this bill, the HEMIC Board sets premium rates. It sounds a lot like 'open rating' to me, Mr. Speaker. I would be more assured of a level playing field if this bill specifically stated that the rates would be set, like other companies, by the Office of the Insurance Commissioner.

"My main objection stems from language in the bill that allows this private company to be capitalized with state revenue bonds. This mutual company is not a state agency; it is supposed to be a private company. Why, then, should it get started with state bonds? With a great probability of a healthy cash flow, there was no reason why funds to capitalize cannot be raised in the private sector. Therefore, the reference to bonds should be deleted.

"If the bond language is retained, it would take only a few deletions to turn this private company into a government insurance company. By striking out a few phrases about HEMIC 'not being an instrument of the state,' we will be capitalizing a state fund.

"Once you have a state insurance company, private ones cannot compete. Agents, actuaries, claims adjusters, administrators, clerks from existing companies will be out of jobs, as a public company can easily undersell a private one. The lack of capacity in insurance in the State of Hawaii will be worsened. This does not lead to a healthy situation.

"In previous bills, I objected to public entities using private bonds. Now, I am objecting to private entities using public bonds. In this case, it does not help to suggest that private entities use private or special purpose revenue bonds because I believe that insurance is not a permissible use of tax-free special purpose revenue bonds.

"It is my hope that the Senate will agree with my position and strike the reference to use revenue bonds.

"I think we should also try other avenues to bring down work comp insurance rates. I am not totally optimistic that HEMIC will be much cheaper if we have not significantly reformed the laws governing our expensive work comp system. Some of the testimony from other states which have adopted mutuals showed that success in those states may have been the result of a combination of a mutual plus reforms. Our present system is not overly generous to those who are seriously hurt, but instead pays out too much to too many.

"Thank you very much, Mr. Speaker."

Representative Yonamine 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 Yonamine continued, saying:

"I think we have been calling a tax is a tax is a tax. No matter what you call it -- users' fees, a surcharge, et cetera, et cetera -- small businesses are being taxed, and they are being taxed by the insurance industry. We call it the assigned risk pool, and this is the purpose of the bill -- to eliminate the assigned risk pool once and for all.

"Over 35 percent of the businesses that have been put into the assigned risk pool with the servicing carriers, in which they are still assessed the charges for servicing the clients and then dump these businesses into the assigned risk pool, they take no risks. They get paid for servicing the assigned risk pool -- those who underwrite the plan. They are the ones faced with trying to provide the

resources in a very limited market. So this is what we are trying to do -- eliminate the assigned risk pool!

"Now, the question here is: Will this thing work? As we have seen in the evidences from other states that have been doing this for a long time, yes, it does work. This is again, employer run/employer owned -- employers are the stockholders of this corporation. Everything is put into place -- the actuary being hired, the CEO being hired, the Board being appointed for a five-year period to ensure that everything is set up -- and we're giving, through the waivers, the tenure period for them to get some surplus. And the original capitalization, one that the original speaker was referring to, is the bonds -- debenture bonds. This is not going to be run by government but it is going to be run and assumed by that employer-run, non-profit entity. I think that should be very clear.

"Open and competitive market means simply this, that in this open market, those in the voluntary market -- the insurance carriers -- they have to come down with the rates if and when HEMIC comes down, and this has been proven throughout the United States where mutual benefit societies have been established.

"So, colleagues, let's put an end to the assigned risk pool. It was created by the insurance agency a long time ago and enacted into law. Let's change it; let's give it back to where it belongs -- to employers -- because they'll be taking care of their own affairs. And they in turn, over the long run, over a ten-year period, will receive additional capitalization to expand the programs.

"This is a good bill, and I urge all my colleagues to support this bill.

"Thank you."

Representative Yonamine's remarks are as follows:

"Mr. Speaker, I rise to speak in support of House Bill 3968, House Draft 1, relating to workers' compensation insurance.

"Workers' compensation insurance and costs have been primary issues of concern for businesses throughout our nation. These concerns have induced many states, including Hawaii, to seek long-term solutions to their workers' compensation problems.

"A prevalent bill this session, which concerns the creation of a mutual insurance company to replace the existing assigned risk insurance pool, provides the Legislature with an excellent opportunity to positively impact workers' compensation issues.

"The increasing cost of workers' compensation insurance and the declining availability of companies to provide workers' compensation are growing concerns which have resulted in the assigned risk pool. The workers' compensation assigned risk pool was established to provide coverage for employers whose job classifications have a high risk of employee injury or illness. However, many Hawaii businesses have been placed in the assigned risk pool through no fault of their own, merely because they are small businesses, not because they are high risk. Ten years ago, less than 10 percent of our businesses were in the assigned risk pool. Today, approximately 35 percent of Hawaii businesses are in the pool, which constitutes the largest size percentage of the workers' compensation insurance market.

"The creation of the Hawaii Employers' Mutual Insurance Company (HEMIC), a nonprofit, mutually owned, independent, public corporation to provide

workers' compensation insurance and related services to Hawaii's business, will result in a myriad of benefits.

"One of the primary objectives of the Hawaii Employers' Mutual Insurance Company, also known as HEMIC, is to furnish workers' compensation coverage to employers of the State at the highest level of service with the lowest possible costs. The employer ownership concept in HEMIC will promote incentives for business to reduce the costs of workers' compensation and decrease the frequency and severity of claims. Furthermore, the members of HEMIC will be guaranteed participation in premium costs control and, therefore, capable of enjoying a stabilized workers' compensation insurance market.

"Another benefit associated with the establishment of HEMIC is the attainment of the highest standards of workplace safety and loss prevention due to the encouragement of employer involvement and responsiveness to each policyholder's needs, experiences, and operational practices.

"Additionally, HEMIC will promote an adequate and available workers' compensation insurance market that is necessary for the economic welfare, growth, and development of our state.

"Attaining this goal required hard work, dedication, patience, and a truly collaborative effort on behalf of all the involved participants. I would like to take this opportunity to recognize the members of the Labor and Public Employment Committee and Vice Chair Nathan Suzuki, who have remained committed and shown sensitivity throughout this long process.

"I would also like to thank Chair Ron Menor and the members of the Consumer Protection and Commerce Committee, and Chairman Tom and the members of the Judiciary Committee for their determination and assistance in finding remedies to the problems associated with workers' compensation. Last, but not least, we must recognize the many individuals and organizations who offered compelling testimony on this issue.

"This achievement is one that this House can truly take pride in, as it is a prime example of assisting the business and people of Hawaii. In this matter, our most crucial obligation is to respond to the workers' compensation insurance needs of Hawaii's businesses and create an entity that can fulfill their needs. HEMIC is the alternative to the existing assigned risk pool and the vehicle that will provide businesses with the workers' compensation insurance and incentives they require to emerge from the pool and attain adequate coverage. In Maine, Missouri, Louisiana, and Kentucky, their HEMIC counterparts have been overwhelmingly successful in reducing the number of businesses in the assigned risk pool, providing needed insurance coverage, and stabilizing the insurance market. These states are showing that it can be done.

"This is why I rise to strongly urge my colleagues to support this bill. HEMIC is a means to address this workers' compensation insurance problem and is a timely alternative to the current assigned risk pool market. House Bill 3968 will implement the creation of the Hawaii Employers' Mutual Insurance Company, which in turn will reduce workers' compensation costs, promote workplace safety and health incentives, and stimulate our economy.

"I ask you in the strongest possible terms to cast your vote in favor of this bill, and vote for the interests of Hawaii business -- large and small -- and for the welfare of the hundreds and thousands of employees of these businesses.

"Thank you, Mr. Speaker and fellow members of the House."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3968, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION INSURANCE," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 855-96 and H.B. No. 4025, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4025, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PAYMENT OF RETIREMENT BENEFITS BY THE EMPLOYEES' RETIREMENT SYSTEM AND COUNTY PENSION FUNDS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 856-96 and H.B. No. 2902, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2902, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTORSPORTS INSURANCE," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3399, 3493, 3773, 3909, 3968, 4025 and 2902 had passed Third Reading at 1:30 o'clock p.m.

**Stand. Com. Rep. No. 857-96 and H.B. No. 3879, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3879, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE DATA," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 858-96 and H.B. No. 3383:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3383, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Ward rose to speak against the bill, stating:

"Mr. Speaker, as a Vietnam veteran, I was taught about the strategic Hamlet Strategy wherein the villages sometimes had to be destroyed to be saved. This oxymoron appears to be applicable in the case of this bill wherein we had to buy something in order to save it.

"This bill is not a Whitewater, but it is scandalous wherein funds from the Airport Special Fund were used to buy a raceway park and feedlot that were never used. Now, it's not surprising that it was never used. If you were a retailer in the airport area, would you put your store in a feedlot or on the tracks of a raceway park?

"Secondly, Mr. Speaker, the reason why we wanted those people at the airport to move was so we could put in a people mover -- a \$600 million project. . .

At this point, the Chair interrupted and asked Representative Ward to "please stick to the bill."

Representative Ward continued, saying:

"Stick to the bill? Mr. Speaker, this bill is a bailout for what we had just done. We're bailing out that land purchase -- \$64 million today with taxpayers' money -- not the money taken from the Airport Special Fund which I would remind you and the colleagues of this House, there is over \$600 million sitting in that fund as we speak. Therefore, I think we can do better with taxpayers' money when we have to pay back bonds, when we have to do something that says, well, we made a mistake, we've got to pay it off now when the budget is down and we have very little money.

"And as you said, Mr. Speaker, 'haste makes waste,' and particularly when there's a land deal like this. I think we can do better and we can do something in the future to avoid this. This is a bill that I hope we have learned a lesson from.

"Thank you."

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

"It is a measure that I think all of us should be very proud of, in trying to resolve an error that we made four years ago. There is no doubt that we are lapsing \$64.4 million of general obligation bond projects that have been on the books. And it is to pay the Department of Transportation's Airport Special Fund at the request of the Inspector General of the federal government.

"I would also like to make some clarity to the previous speaker's remarks -- for the audience and the press -- that the \$600 million is special fund money that is tied to the bond covenants and to the federal government in regards to the use and purpose of these funds. These funds cannot be used as general fund moneys but strictly for the airports.

"Thank you, Mr. Speaker."

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

"I think the story goes on beyond the feedlot. The feedlot in itself became the purchase cost of 910 acres for the University of Hawaii-West Oahu. And if one has visited the beautiful site in Kapolei, you would think it's worth more than \$64 million.

"So, ladies and gentlemen, we are indeed reimbursing the airport fund, but instead of that money -- thanks to the wisdom and sagacity of our beloved Governor -- we now have 910 acres of a very beautiful mountainside which will be the future home of the University of Hawaii-West Oahu. For that reason, I support this bill.

"Thank you, Mr. Speaker."

Representative P. Oshiro then rose to speak in favor of the bill, stating:

"Mr. Speaker, the purpose of this bill, as reiterated before, is to reimburse the Airport Special Fund for a land purchase which occurred several years back in 1991. The State, at that time, utilized dollars for this transaction from a generic Statewide Airport Land Acquisition appropriation, with the initial intention, Mr. Speaker, of using these parcels in an exchange for privately owned lands near the Honolulu International Airport and for the relocation of businesses who would be displaced by this action.

"The Inspector General of the United States Department of Transportation determined in April 1995, that this land purchase was not an appropriate use of Airport Special Funds, and the Inspector General mandated that the State reimburse the Airport Special Fund in the amount of \$64.4 million. Should the State fail to reimburse the Airport Special Fund as specified, the Inspector General has stated that the State will be ineligible to receive approximately \$18 million per year in federal airport entitlement grants. In addition, Mr. Speaker, the Inspector General has also indicated that State noncompliance with this directive may further result in an additional reimbursement to the federal government for airport entitlement grants previously received by this State for an unspecified number of years.

"I would like to reiterate, Mr. Speaker, that the purpose of this bill has nothing to do whatsoever with whether the Airport Special Fund needs, or whether the Airport Special Fund desires, these funds. The Airport Special Fund was creatively established several years ago as a self-sustaining fund which, except for federal discretionary grants and entitlements, derives all other revenue exclusively, Mr. Speaker, through the collection of fees from those that utilize its facilities and services. By determining the general operating and capital improvement expenditure ceiling through negotiation with its primary users prior to setting the amount of the user fees, the Airport Special Fund virtually assures its own solvency. To again reiterate, Mr. Speaker, the Airport Special Fund is not requesting, nor does it need these additional dollars.

"The primary, and probably the only reason, Mr. Speaker, for this bill today is to satisfy the federal directive mandating reimbursement to the Airport Special Fund. I suppose, Mr. Speaker, that we could defy the Feds, kill the bill, and utilize the \$64.4 million in GO bonds for some other worthwhile projects. I guess that would probably give us a great 'rush' and it will probably make us all feel good to collectively thumb our noses at the federal government. But, Mr. Speaker, when that 'rush' subsides and when reality sets in, we would essentially be out some \$18 million per year in federal entitlement grants, with the very realistic possibility of relinquishing, or reimbursing to the federal government, entitlements received for prior years. That, in my estimation, Mr. Speaker, would not be fiscally prudent.

"There has been much discussion, Mr. Speaker, and criticism and fault finding lodged towards the individuals who were a party to this transaction. Many, Mr. Speaker, have questioned the basis and the justification for their approval of this land exchange. And I suppose, Mr. Speaker, that this criticism and finger pointing will probably continue on into the future. I truly believe, Mr. Speaker, that much has been learned from this incident. The mere fact that this reimbursement bill is here before us today is reason for all who are charged with similar administrative responsibilities to ensure that great care and consideration is utilized on issues such as this, or for that matter, on any issue which deals with State finances and State dollars.

"I firmly believe, Mr. Speaker, that we should satisfy this federal repayment mandate, put this issue to rest, and collectively move forward to manage and address the many other pressing issues which presently face our State.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3383, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS AND MAKING AN APPROPRIATION FOR THE

REIMBURSEMENT OF THE AIRPORT REVENUE FUND," having been read throughout, passed Third Reading by a vote of 44 ayes to 7 noes, with Representatives Anderson, Halford, Kawananaoka, Marumoto, Meyer, Thielen and Ward voting no.

**Stand. Com. Rep. No. 859-96 and H.B. No. 4063:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4063, entitled: "A BILL FOR AN ACT RELATING TO HIGHER EDUCATION," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 860-96 and H.B. No. 757, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 757, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEVELOPMENT OF SCHOOLS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 861-96 and H.B. No. 1999, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 1999, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BOILER AND ELEVATOR SAFETY LAW," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 862-96 and H.B. No. 2319, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2319, HD 2, entitled: "A BILL FOR AN ACT RELATING TO RECONSTRUCTED MOTOR VEHICLES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 863-94 and H.B. No. 2859, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2859, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SERVICES FOR THE INDIGENT," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3879, 3383, 4063, 757, 1999, 2319 and 2859 had passed Third Reading at 1:40 o'clock p.m.

**Stand. Com. Rep. No. 864-96 and H.B. No. 2884, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2884, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE CONVENTION CENTER," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 865-96 and H.B. No. 2995, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the

Committee was adopted and H.B. No. 2995, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 866-96 and H.B. No. 3064, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3064, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"Mr. Speaker, imbedded in this bill is language which says nothing in this subsection shall prevent a wholesaler from selling tobacco to post exchanges, ship service stores, Army or Navy Officers' Clubs, et cetera.

"I think it is very important to realize that our tax system is hemorrhaging enormously by the black market in tobacco products that are flowing out of the post exchanges in Hawaii. I have been told by veterans and others that they observe people driving up to the exchanges and loading up trucks full of cigarettes which are then taken out into the black market and sold to the public in Hawaii with no tax benefits to us. And I think one of the issues that we must address in the future is the whole justification of many of the post exchanges and what products are appropriate there and what products need not be sold through those exchanges.

"Thank you."

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

"I expressed my concerns on Second Reading to the members that I was afraid this bill could possibly preempt the counties from enacting stricter ordinances regulating the sale of tobacco products.

"It's still being checked out nationally by the experts. I still have the same concerns, and I am more suspicious, Mr. Speaker, because of the involvement of the lobbyist for Phillip Morris with this matter.

"I am not sure it is in the best interest of the health of our communities, so I am going to continue to vote no on it. If I am proven to be mistaken in my concerns, then I will look at that when it comes back from conference committee.

"Thank you."

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

"I respect the concerns of the Minority Floor Leader and will, in fact, observe this bill as it goes forward with the same careful eye.

"However, Mr. Speaker and fellow colleagues, cigarette smoking is the single most devastating cause of preventable diseases. We have all seen photographs of the detrimental effects of smoking on the lung. We have all read about the monumental health care costs attributed to smoking. And I'd venture to say, Mr. Speaker, that, unfortunately, we have all had at least one relative or one friend who has had and has died of lung cancer or heart disease which can be directly attributable to cigarette smoking.

"Mr. Speaker, cigarette addiction usually starts during one's youth. House Bill 3064, House Draft 2, represents one significant opportunity to improve the health of Hawaii's people by reducing the number of young people who get started or hooked on smoking. Even though adult smoking rates have declined steadily over the years to about 20 percent of the population, it is distressing that smoking among Hawaii's youth has risen sharply.

"Mr. Speaker, I have additional prepared remarks. In the interest of time, I ask that they be included in the Journal," and the Chair "so ordered."

"I would point out, however, that this is just one piece of a mosaic which is designed to prevent Hawaii's youth from becoming addicted to tobacco.

"Thank you."

Additional remarks by Representative Pepper are hereby inserted:

"Let me give you a few statistics. Today, more than twenty-nine percent of Hawaii's public high school seniors have reported that they are regular smokers. This is an increase of seventeen percent over the past 15 years. Nationally, studies show that virtually all persons who have a nicotine habit began smoking during their teen years, and ninety percent of new smokers are children and teens.

"The availability of tobacco products is a major factor that contributes to Hawaii's high youth smoking rate. A 1995 Department of Health study reported that minors were regularly able to purchase cigarettes -- forty-three percent of the time from stores and eighty percent of the time from vending machines. Minors were able to purchase cigarettes despite it being illegal to sell cigarettes to minors in Hawaii.

"Obviously, something is wrong with the system. I'd like to make it clear that I don't like the idea of over-regulating businesses, which should be allowed to operate freely when they can do so responsibly. But in this case, the current system is just not working.

"House Bill 3064, House Draft 2, creates a licensing mechanism to regulate the sale of cigarettes and other tobacco products. Sellers will be required to have a license, and all licensees will be prohibited from selling tobacco products to minors. The Liquor Commission of each county would have the responsibility for issuing licenses to sell tobacco products and for sanctioning violators.

"Licensing those who sell tobacco products should be part of the overall total effort by our entire community to reduce the illegal sales of tobacco products to minors. This bill will have significant positive effects on the health of Hawaii's youth, which will carry forward through adulthood. For this reason, I ask all of my colleagues to support this bill.

"Thank you."

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

"As Chairman of the Consumer Protection and Commerce Committee, I was not intending on making comments in support of this bill. However, I feel that I am impelled to do so based on the statements and comments made by the Representative from Kailua in regards to this bill. In response to those comments, let me make a few brief points.

"First of all, I would like to emphasize to my colleagues that if you support this bill, I think that it is a good vote because of the fact that the enactment of this bill into law will definitely strengthen the efforts of our state and counties to be able to more effectively enforce an existing law that we currently have on the books which prohibits the sale of tobacco products to minors.

"At present, that law has not been effectively enforced by the county Police Departments and the enactment of this bill would, in fact, enhance the enforcement efforts to ensure that the policy of discouraging the use of tobacco products by minors will, in fact, be implemented. In addition, this law meets the requirements of the federal law which requires that states adopt effective enforcement mechanisms to ensure that state laws prohibiting the sale of tobacco products, that that enforcement mechanism be made more effective. By bringing our state law into compliance with the federal law, that will ensure that federal funds which can be made available to the states for the use of prevention programs that discourage the use of tobacco products will continue to be made available to the State of Hawaii.

"On the issue of preemption, I would just respectfully ask my colleagues to please read this bill carefully. There is no preemption language. I share the concerns of many that it is important that we give the counties as much latitude and flexibility to be able to enact ordinances that could more effectively regulate the sale of tobacco products, and I don't think the enactment of this bill into law will be contrary to that purpose.

"Finally, I would just like to clarify for the record and for all of my fellow colleagues here that, in developing this particular bill draft, I consulted with the State Department of Health and also the representatives of the various county commissions who would be empowered under this bill to more effectively regulate the sale of tobacco products.

"At no time was the input of any representative of the tobacco industry responsible for the bill that is presently before you. So, in that respect, Mr. Speaker, I feel that that point needs to be clarified so as you vote on this bill, you can place into proper perspective the decision-making factors that we took into account in recommending the enactment of this bill.

"Thank you."

Representative Thielen, in response, stated:

"I hope that all of this is correct. My concern rests on page 10, lines 18 through 20, where we are giving this sole jurisdiction, power, authority, and discretion to the Liquor Commission. I still am concerned on how that interplays with the ability of the counties to further regulate and restrict the sale of tobacco products.

"I think the Chair of the Consumer Protection Committee and I both share the same objective, which is to narrow the availability of tobacco products and especially to keep them out of the hands of minors. I am just concerned that this, in some way, may come back to bite us. And that's what I want to continue checking until our final vote on this measure.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3064, HD 2, entitled: "A BILL FOR AN ACT RELATING TO RETAIL TOBACCO SALES," having been read throughout, passed Third Reading by a vote of 50 ayes to 1 no, with Representative Thielen voting no.

**Stand. Com. Rep. No. 867-96 and H.B. No. 3163, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3163, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative M. Oshiro rose and requested the Clerk to cast an aye with reservations for him, and the Chair "so ordered."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3163, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR HAWAIIAN SOVEREIGNTY," having been read throughout, passed Third Reading by a vote of 51 ayes. (Representative M. Oshiro voted aye with reservations.)

**Stand. Com. Rep. No. 868-96 and H.B. No. 3169, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3169, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE STATEWIDE TRAIL AND ACCESS PROGRAM," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 869-96 and H.B. No. 3302, HD 1:**

By unanimous consent, action was deferred to the end of the calendar.

**Stand. Com. Rep. No. 870-96 and H.B. No. 3306, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3306, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 2884, 2995, 3064, 3163, 3169 and 3306 had passed Third Reading at 1:50 o'clock p.m.

**Stand. Com. Rep. No. 871-96 and H.B. No. 3308, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3308, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CLEAN HAWAII CENTER," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 872-96 and H.B. No. 3446, HD 3:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3446, HD 3, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Yoshinaga rose and requested that her remarks, against the bill, be entered into the Journal and the Chair, noting that there were no objections, "so ordered."

Representative Yoshinaga's remarks are as follows:



"I would like to state at the outset that I am not against the progression of higher education and/or education in general. However, in the case of West Oahu, I am concerned.

"Before we can move forward, we must first strengthen the University we have now. The University of Hawaii at Manoa faces problems -- a reduction of available classes, cutting of various programs, neglecting of the libraries, just to name a few. We must first refurbish and enhance the Manoa campus to meet its full potential before we can begin to focus elsewhere. We must not prematurely start a new campus without regard for the infrastructure cost of the old. The University of Hawaii is a large campus that can provide the classes that are demanded in the Leeward area. The present University and community college system can fulfill the needs of the communities. Also, in light of the budget crisis, we must be careful not to make unnecessary appropriations and stick to the most economical and beneficial.

"Another campus would require more money than the enhancement of the present campus. Concerns made by students about the lack of classes at the Manoa campus are evidence that something needs to be done. In comparison to other states, the area and size of the UH campus with the present size of our state population and its demands along with the budget crisis in mind, to start a new state campus would be an unnecessary costly project at this time.

"The state has an old piece of jewelry (UH Manoa) that needs only restoration to bring up its value. There is no need to buy a new piece of jewelry if the one you own is only in need of polish and care, and if you have no money to buy it in the first place. A polished antique jewelry would be more valuable and economical than the purchase of a new one."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3446, HD 3, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII - WEST OAHU," having been read throughout, passed Third Reading by a vote of 48 ayes to 3 noes, with Representatives Hamakawa, Saiki and Yoshinaga voting no.

**Stand. Com. Rep. No. 873-96 and H.B. No. 3492, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3492, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ESTABLISHMENT OF THE HAWAII HEALTH SYSTEMS CORPORATION," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 874-96 and H.B. No. 3512, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3512, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

The following remarks by Representative Yonamine, in favor of the bill, were submitted to the Clerk for insertion into the Journal:

"Mr. Speaker, I rise to speak in support of House Bill 3512, HD 2, relating to the administration of the Workers' Compensation Law.

"Workers' compensation costs and the administration of workers' compensation laws have been primary issues of concern for our State. These concerns have resulted to the introduction of several bills dedicated to seeking long-term reforms to workers' compensation issues.

"House Bill 3512 is one of three bills this session, which will positively impact workers' compensation laws by improving the administration of workers' compensation laws, reducing the costs and increasing the savings associated with workers' compensation coverage, and facilitating compliance with Act 234 of the 1995 Session Laws of Hawaii.

"Specifically, the myriad of provisions in this bill would:

- (1) Establish a Workers' Compensation Benefits Facilitator Unit (Unit) in the Department of Labor and Industrial Relations (DLIR) to assist injured workers in filing claims and to facilitate the workers' compensation claims process; also requires facilitators in the Unit to assist insurers, employers, and providers to address concerns that facilitators in the Unit should help all parties, and not just injured workers;
- (2) Define 'nonphysician' as a physical therapist, occupational therapist, speech and language pathologist, acupuncturist, massage therapist, or any other person rendering medical care and supplies directed by the attending physician based on a written prescription and treatment plan;
- (3) Clarify that a person may qualify for benefits if injured while in the act of stopping or preventing an unprovoked nonwork-related altercation;
- (4) Adopt the Medicare fee schedule adjustments on a calendar year basis rather than a fiscal year basis to coincide with the publication dates of the Medicare fee schedule, effective January 1, 1997;
- (5) Give the Director of Labor and Industrial Relations (Director) greater flexibility in setting medical fee schedules by requiring updated schedules every three years or annually, as required;
- (6) Delete the requirement that after the initial five treatments, the Director's authorization is needed for up to ten additional treatments;
- (7) Allow the Director to sanction nonphysicians in the same manner as health care providers;
- (8) Remove the minimum weekly benefit amount when calculating the temporary total disability benefit to reflect the actual hours worked before the injury;
- (9) Clarify the responsibility of the employer and the Special Compensation Fund in cases involving pre-existing conditions;
- (10) Enable the employer to calculate concurrent temporary total disability benefits payable consistent with section 386-51, Hawaii Revised Statutes (HRS);
- (11) Clarify the amount of employer requested examinations allowed per case; and
- (12) Clarify that fraudulent acts must be intentionally performed, clarify criminal and administrative penalties for fraud, and deletes provisions that

subject hearings officers to prosecution for fraud while performing their official duties.

- (13) Disallow compensation for injuries by an employee while engaging in or performing any recreational or social activity engaged in off the work premises and solely for the employee's personal pleasure, or where attendance at the activity is voluntary and not a condition of employment;
- (14) Provide that the Department of Commerce and Consumer Affairs, with the assistance of DLIR, to conduct a comprehensive feasibility study on establishing individual medical trust accounts for employees to provide coverage of health care expenses arising from workers' compensation claims;
- (15) Require the Director of Commerce and Consumer Affairs to adopt rules for the establishment of individual medical trust accounts no later than July 1, 1997. Also requires the Director of Commerce and Consumer Affairs to submit rules to the Legislature no later than December 31, 1996. The rules shall not be adopted if the Legislature disapproves the rules by concurrent resolution during the regular session of 1997; and
- (16) Authorizing the Insurance Commissioner to adjust workers' compensation insurance rates, based on generally accepted actuarial techniques, to reflect the impacts of the provisions of Act 234 and this measure; and
- (17) Authorizing the appropriation of \$150,000 from the Special Compensation Fund to establish the Workers' Compensation Benefits Facilitator Unit.

"Attaining this goal required hard work, dedication, patience, and a truly collaborative effort on behalf of all the involved participants. I would like to take this opportunity to recognize Vice Chair Nathan Suzuki and the members of the Labor and Public Employment Committee, who have remained committed and shown sensitivity throughout this long process.

"I would also like to thank Chair Ron Menor, Vice Chair Terry Yoshinaga, and the members of the Consumer Protection and Commerce Committee, Chair Terrance Tom, Vice Chair Michael White, and members of the Judiciary Committee, Chair Calvin Say, Vice Chair Bertha Kawakami, and members of the Finance Committee for their determination and assistance in finding remedies to the concerns associated with the workers' compensation laws. Last, but not least, we must recognize the many individuals and organizations who offered compelling testimonies on this bill.

"This achievement is one that the House can truly take pride in, as it is a prime example assisting the business and people of Hawaii. In this matter, our most crucial obligation is to respond to the workers' compensation needs of Hawaii businesses and injured workers and initiate reforms that can fulfill these needs.

"I ask you in the strongest possible terms to cast your vote in favor of this bill, and vote for the interests of Hawaii business large and small, and for the welfare of the hundreds and thousands of employees of these businesses.

"Thank you Mr. Speaker and fellow members of the House."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3512, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 875-96 and H.B. No. 3619, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3619, HD 1, entitled: "A BILL FOR AN ACT RELATING TO APPROPRIATIONS AND CONTRACTS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 876-96 and H.B. No. 3766, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3766, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENTAL ASSISTANCE," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 877-96 and H.B. No. 3769, HD 3:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3769, HD 3, entitled: "A BILL FOR AN ACT RELATING TO PERSONS DISPOSSESSED OR DISPLACED BY VOLCANIC ERUPTIONS," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3308, 3446, 3492, 3512, 3619, 3766 and 3769 had passed Third Reading at 1:51 o'clock p.m.

**Stand. Com. Rep. No. 878-96 and H.B. No. 3789, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3789, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC CONTRACTS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 879-96 and H.B. No. 3820, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3820, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"I have additional comments that I would like to submit to the Clerk, but I speak in support of this measure because this bill represents the first step in dealing with what is of major concern to our whole state, I think community-wide, which is crime, and in terms of how we are going to deal with this in our communities and what is the role of government.

"I submit that this bill will support all of our efforts, in terms of leveraging our limited resources in dealing with what I feel is a core function of government, which is to deal with public safety as well as personal safety for our

citizens, and I just would like to read some statistics very briefly.

"In the last year, violent crime has risen 15.7 percent over the same period in 1994. These are the Attorney General's Crime Division statistics. Likewise, a number of property crimes -- burglary, larceny, theft, et cetera -- has risen in the same period 12.3 percent over the same period in 1994 from this year. And it is really ironic that although Hawaii is still considered to be one of the safest places to reside, it really is, I think, a sad moment that our people do not feel safe when I walk my district in terms of their personal safety, and we need to make this a priority for this session.

"Thank you, Mr. Speaker."

Additional comments of Representative Yoshinaga are hereby inserted:

"I am concerned whenever I discover in the headlines that another one of our citizens has fallen victim to some form of crime operating in our streets and neighborhoods. I am personally moved by the cries I have heard in recent times of the loss of property or the loss of a loved one who was the subject of a violent criminal act.

"Crime has reached alarming proportions in our community. Crime in Hawaii has surged over recent years.

"In its semi-annual crime summary, the State Department of the Attorney General reported that the number of violent crimes -- namely murder, forcible rape, robbery, aggravated assault -- in the first six months of 1995 rose 15.7 percent above the number reported for the same period in 1994. Likewise, the number of property crimes -- burglary, larceny-theft, motor vehicle theft -- in the first six months of 1995 rose 12.3 percent over the same period in 1994. It is ironic that although Hawaii is still considered to be one of the safest places to reside in the U.S., Hawaii continues to rank high in U.S. property crime rates.

"Additionally, a major finding of a 1993 survey of Hawaii residents by the Crime Prevention Division, State Department of the Attorney General, revealed that respondents felt the criminal justice system is too easy, and that it contributes a great deal to the crime problem. Furthermore, a survey from my constituents indicate that crime is the number one problem and priority to them.

"With such figures as mentioned, it's no surprise that many Hawaii residents do not feel safe in their own neighborhoods. Fear is plaguing our communities. Our citizens are suffering.

"Protecting the citizens and general public of our state from criminal activities -- to make certain that our communities are safe -- is an important core function of our government. And it is precisely this function that should be one of the priorities of our government.

"As leaders, we need to effectively address the rising tide of crime in Hawaii. We need to make certain that our policies on crime sends the message to all offenders that our criminal justice system will not tolerate unjust acts, and will act swiftly in issuing consequences to those who violate the law, as well as the rights and properties of our taxpayers. We need to make certain our criminal justice system deters all forms of crime.

"In effect, we need to commit resources so that the very basis and fabric concerning the quality of our lives remains intact and preserved from the deterioration crime itself produces in our midst. This means we start out by

making the following safer environments: (for our children) our streets and school grounds; our neighborhoods; our work places; and our business communities.

"In a time when we, as leaders, are under the watchful eye of the public -- and in a time when our fiscal resources and resources of crime prevention, law enforcement and corrections system appear limited and strapped -- we need to give great thought and care in handling this matter. Yet, we still need to move forward against the onset of crime activities and do everything possible to prevent it from wreaking havoc in our community. We must take our streets and neighborhoods back.

"Thus, I cast my vote in support of House Bill 3820 for a symposium on crime in Hawaii. It is an ambitious measure designed to assemble together in a symposium format all those involved in crime prevention, law enforcement, and other key organizations who are laboring hard to make Hawaii a safer place. Also, it provides a forum which is designed to inform and educate these participants on the various criminal activities, and the kinds of programs that can be launched within our communities to effectively combat crime. Further, this legislative piece will foster a networking and collaboration among the participants, and will be a vehicle to disseminate information to the general public.

"The symposium will better enable us to pool our existing resources and to leverage them as a counter-measure in the war against crime. In effect, the idea for a symposium presents us with the opportunity to coalesce our resources, to engage the public in a partnering effort, and to present a more unified front in addressing the issues of crime in our state. This idea for a symposium calls for and challenges us to a platform of readiness, and a higher level of awareness in the battle against crime. In essence, this bill is a step forward in the right direction. Its overall concept adds value to our society.

"In closing, I urge my fellow colleagues to join me in casting their support for this measure. The idea to host a symposium on crime in Hawaii is the very thing we as leaders can give to the people of this state.

"Thank you very much, Mr. Speaker, for allowing me to speak on this measure."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3820, HD 2, entitled: "A BILL FOR AN ACT RELATING TO A SYMPOSIUM ON CRIME IN HAWAII," having been read throughout, passed Third Reading by a vote of 50 ayes to 1 no, with Representative Pepper voting no.

**Stand. Com. Rep. No. 880-96 and H.B. No. 3881, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3881, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR AGRICULTURAL RESEARCH AND DEVELOPMENT," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 881-96 and H.B. No. 3915, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3915, HD 2, entitled: "A BILL FOR AN ACT RELATING TO

AGRICULTURE," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 882-96 and H.B. No. 4096, HD 2:**

By unanimous consent, action was deferred to the end of the calendar.

**Stand. Com. Rep. No. 883-96 and H.B. No. 4117, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4117, HD 2, entitled: "A BILL FOR AN ACT RELATING TO STATE ENTERPRISE ZONES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 884-96 and H.B. No. 3954, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3954, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3789, 3820, 3881, 3915, 4117 and 3954 had passed Third Reading at 1:54 o'clock p.m.

**Stand. Com. Rep. No. 885-96 and H.B. No. 4131, HD 3:**

By unanimous consent, action was deferred to the end of the calendar.

**Stand. Com. Rep. No. 886-96 and H.B. No. 4132, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 4132, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"Mr. Speaker and colleagues, it seems like eons but it was only eight years ago that I rose to speak on this very issue, trying to be heard among the ding and clatter of the housing rush of 1988. Back then, I spoke of the Housing Finance and Development Corporation as the housing juggernaut, a veritable blob of a government entity, that we were willing to give \$120 million even though they had no track record as a developer. We gave them a blank check, an open-ended loan, with no pay-back date, no interest, no cap on the number of homes and projects they could develop. I mentioned in my floor speech on this very floor, that this housing juggernaut had the potential of a snowball rolling downhill, uncontrolled and uncontrollable by this Legislature, all in the name of meeting a perceived housing shortage.

"Like a snowball rolling downhill, we allowed it to become an even larger entity by providing an additional \$25 million in 1990, even though many of us felt that the private sector should be encouraged to provide for-sale homes and that the State should meet rental housing needs of low-income families, the elderly and disabled. When all was said and done, the administration, with the blessings from the Legislature, had created a billion dollar housing development corporation that has now turned into the 'rainy day' fund for these revenue-short times. The

fact is, the dream and vision of 1988 for second cities and planned communities have yet to be fulfilled.

"It is now 1996, and thanks to the bold leadership efforts of the former Housing Chair, Representative Virginia Isbell, we are finally making headway in turning the housing juggernaut in the right direction to truly meet the most demanding needs of Hawaii's citizens. And that is, affordable rental homes for low-income families and supportive housing for Hawaii's disabled and elderly.

"While we have not precluded the new housing agencies from developing affordable for-sale homes, we are now clear in our vision that the greater public purpose for this agency must be to use its available public resources for rental homes, a market demand that is projected at 26,000 by the year 2004. The demands have resulted in waiting lists for low-income public housing, Section 8, elderly housing, and Hawaiian home lands. The biggest challenge for a new housing agency will be to provide homes that are accessible, with the range of development and financing options that will make rents truly affordable.

"House Bill 4132, House Draft 2, is a step in the right direction, and I ask you and all my colleagues to support the Committee's effort to meet that challenge.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 4132, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 887-96 and H.B. No. 2452, HD 3:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 2452, HD 3, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"The Health Fund is costing us \$316 million and in two years, in 1998, it is going to cost us \$418, all coming out of General Revenue Funds.

"Under the Health Fund law, a Board of Trustees was established to advocate and establish the very best health plan for active employees and retirees. This fine law was crafted in the early 1970's when the Legislature was very generous in providing that assistance and when the public employees needed all the help they could get.

"Twenty-five years later, we have come to a point where the Board of Trustees continues to advocate and get the best possible health plan. At the same time this is going on, our unions are getting a better deal, and a better medical plan at a lower premium from the same vendors. The Board of Trustees presumably deals with 55,000 government employees, so why are the unions able to get a better deal with a smaller membership? I think the Board is accountable to no one but themselves and we need to realize that the Board of Trustees and the Administrator have not been doing the very best possible job to control the mounting costs.

"This bill will create a very sensible, reasonable and balanced way of administering the Health Fund, linking benefit levels and costs to the needs of employees and retirees. We're going to call it the Hawaii Employees' Trust Fund. This is prevalent in the private sector, and

we need to take a look at it. The Board of this Trust Fund will be made up of equal number of people representing the employers, and an equal number of union representatives. They will be very careful in terms of the solvency of the Health Fund, and will negotiate, talk to each other, and arrive at some very reasonable compromises to bring down the costs while still providing the essential health and other services that the employees and the retirees need.

"This is a very good bill, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2452, HD 3, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES' HEALTH FUND," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 888-96 and H.B. No. 2505, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 2505, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"This bill amends Section 342D-6.5 to include the excavation, restoration, or repair of historic property as a priority for water pollution permit review. It requires the Director of Health to render a written decision on the completeness of any application for that permit or water quality certification within thirty days of receipt. The Director shall render a written decision on any completed application for a permit or water quality certification for any fishpond or historic property within one hundred fifty days. This bill further amends the process so that, if in the event the Director determines that the application is incomplete, the written decision shall specify the reasons for its incompleteness.

"The remains of King Liholiho's royal yacht lie under the sands of Hanalei Bay, but Hawaii's archaeological permitting requirements are so overwhelming that the sea may grind them to bits before they can be recovered. This is especially the case with the Department of Health whose permit processes take so long that things become historic before anything happens.

"Paul Johnston, Smithsonian Institution curator of maritime history, pointed out that, '...in Hawaii, he had to go through the same permit processing as if he wanted to build a 500-room hotel...' This is the gentleman who was trying to excavate the yacht.

"In his testimony, he said that he submitted a six-page itemized list of procedures required. He concluded by saying: 'To the best of my knowledge, the State of Hawaii is alone in the nation in requiring such an involved, lengthy process...'

"The sea of red tape within the State Department of Health has also put a dead stop on Molokai fish pond revival. An estimated 30 of the 74 fish ponds on Molokai are restorable but may face irreversible damage if left in disrepair for too long.

"John Corbin, Manager of the State Aquaculture Development program of the Department of Land and Natural Resources, describes these fish ponds as: '...unique to the islands. Nowhere in the Pacific is there something like this.'

"William Kalipi, Sr., who wants to restore a pond at Ualapue on Molokai, says that the delays caused by government permit requirements violate his constitutional rights to practice his religion.

"Mr. Kalipi said: 'The ponds were here during the Kingdom time and now the Western law is trying to govern the fish ponds. . .I feel they're infringing on our culture.'

"According to Walter Ritte, the former State Economic Development Coordinator on Molokai, the experience at Honouliwai has been frustrating. He said, 'These are state government officials trying to get permits for their own ponds. It's funny, and it's sad. To me, the state cannot solve its own problem, so we're stuck.'

"Edward Tanaka, a construction worker and part-time taro farmer said he had hoped to harvest fish from a native Hawaiian saltwater pond on Molokai. In the early 1990's, the administration identified his pond as one of two state demonstration projects. He thought he would be swimming in business.

"In handwritten testimony, Mr. Tanaka said: 'After eight years of shuffling papers and hours of intensive meetings on how, why and what not to do, it's been a long frustrating wait for an okay for help on the fish ponds. ...We need the fish ponds not only for food supply, but for education in the field of aquaculture and our native Hawaiian culture.'

"Mr. Tanaka of Molokai concluded by asking us to: 'Please keep the candles burning, before it is too late for fish pond restoration.'

"Hopefully, House Bill 2505, House Draft 2, will help him do just that.

"Thank you."

Representative Kawanakoa then rose in support of the bill and asked that Representative Marumoto's words be entered into the Journal as his own, and the Chair "so ordered." (By reference only)

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2505, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PROPERTIES," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 889-96 and H.B. No. 3534, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3534, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENFORCEMENT," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 890-96 and H.B. No. 3577, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3577, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION OF HAZARDOUS MATERIALS, HAZARDOUS WASTE, INFECTIOUS SUBSTANCES, AND MEDICAL WASTE," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 891-96 and H.B. No. 3819, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3819, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

The following remarks by Representative Yoshinaga, in support of the bill, were submitted to the Clerk for insertion into the Journal:

"I urge my colleagues to please support H.B. 3819. House Bill 3819 proposes to enact the Uniform Limited Liability Act. As in other areas, Hawaii lags behind other states in enacting a progressive business law. This limited liability act will do much to improve the perception that this State is unfriendly to businesses. Hawaii is one of only two states which does not provide for the option of limited liability companies. Limited liability companies will provide Hawaii businesses and investors with more choices for structuring their business beyond partnerships and corporations.

"The limited liability company form is a relatively recent innovation in the United States. However, it is essentially a simple concept which provides businesses with options, yet looks after the interests of consumers and investors at the same time. A limited liability company is a hybrid business entity that combines the limited liability of a corporation with the federal tax treatment of a partnership. Like the shareholders of a corporation, the state grants the members of a limited liability company statutory protection from liability. A limited liability company member risks only the capital that the member agrees to contribute to the limited liability company. Like the partners in a partnership, no federal income tax is imposed on the limited liability company at the entity level. Rather, the tax is imposed on the members of the limited liability company. In addition, members of a limited liability company may participate in the management of the business as do partners in a partnership. As in a partnership, statutory provisions control, unless the members agree otherwise.

"Adopting a limited liability company act will provide Hawaii businesses and investors with:

"Firstly, flexibility in financing -- members may agree on varying interests.

"Secondly, limited liability. At the same time, this bill retains protection for consumers and investors -- by requiring at least two members and requiring a written agreement to vary statutory defaults.

"Thirdly, contemporary management structures that reflect how businesses really operate and management structures well suited for our cultures. Members may choose to run their company either directly as in a partnership -- with all members taking part in decision-making or through managers who are voted in. Thus, with a limited liability company form, participation and consensus-driven decision making can be utilized. Even under a manager-managed option, a limited liability form requires fewer formalities -- such as proxies, official meetings, resolutions, minutes -- formalities which often trip up small businesses, causing them to risk losing their limited liability in corporate form.

"And lastly, federal tax advantages. Limited liability companies may be taxed as partnerships when properly structured. This will allow Hawaii investors and business owners to take advantage of the current federal tax structure by selecting the business form most advantageous to them for federal tax purposes and for its management characteristics.

"Limited liability companies are a common form of business entity worldwide and in the United States. Unlike the states, which have provided for limited liability companies earlier, we have the opportunity to learn from the experience of other states. I feel that this bill builds on the best there is to offer in addressing the needs of businesses as well as protecting investors as well as consumers."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3819, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM LIMITED LIABILITY COMPANY ACT," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 4132, 2452, 2505, 3534, 3577 and 3819 had passed Third Reading at 2:06 o'clock p.m.

**Stand. Com. Rep. No. 892-96 and H.B. No. 3919, HD 3:**

By unanimous consent, action was deferred to the end of the calendar.

**Stand. Com. Rep. No. 893-96 and H.B. No. 4127, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4127, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading by a vote of 51 ayes.

**Stand. Com. Rep. No. 894-96 and H.B. No. 4145, HD 2:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 4145, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HURRICANE RELIEF FUND," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 4127 and 4145 had passed Third Reading at 2:07 o'clock p.m.

### THIRD READING

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

**H.B. No. 2857, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2857, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL PAPER," passed Third Reading by a vote of 51 ayes.

**H.B. No. 2576, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2576, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HANSEN'S DISEASE," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3043, HD 1:**



On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3043, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THEFT AND RELATED OFFENSES," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3349, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3349, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DISSEMINATION OF CRIMINAL HISTORY RECORD INFORMATION," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3567, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3567, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ROUNDING OF TAX RETURN ITEM ENTRIES," passed Third Reading by a vote of 51 ayes.

**H.B. No. 1088, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 1088, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 2857, 2576, 3043, 3349, 3567 and 1088 had passed Third Reading at 2:08 o'clock p.m.

**H.B. No. 2567, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2567, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL SERVICES LOAN COMPANIES," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3401, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3401, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE INSURANCE CODE," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3408, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3408, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GIFT CERTIFICATES," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3411, HD 1:**

Representative Amaral moved that H.B. No. 3411, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"This is a bill that was introduced to try to protect tenants from retaliatory evictions. I read this bill quite carefully.

"My concern is that it could really tie the hands of landlords in certain situations where tenants are not paying their rents, do not have the wherewithal to pay their rents, don't intend to move, want to make it as hard

as possible, and they could effectively do that for a long time if this bill is to pass. I know there's a perception that landlords are wealthy people that are taking lots of money to the bank. This is not really the case for many, many landlords.

"Landlords are risk takers -- property owners who invest their own money, pay the four percent excise tax on all gross income. Many of them pay four percent on properties that they are losing money on, and oftentimes come out on the losing end of the proposition with tenants. They create housing which is very much needed. They fill the gap where the State has not been able to, and my fear is that this bill could really impact them in a very serious way.

"Thank you very much."

The motion was put by the Chair and carried, and H.B. No. 3411, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE LANDLORD-TENANT CODE," having been read throughout, passed Third Reading by a vote of 51 ayes.

**H.B. No. 2730, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2730, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROFESSIONAL AND VOCATIONAL REGULATORY PROGRAMS," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 2567, 3401, 3408, 3411 and 2730 had passed Third Reading at 2:10 o'clock p.m.

**H.B. No. 2447, HD 1:**

Representative Amaral moved that H.B. No. 2447, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"Very briefly, Mr. Speaker, I have three points. Number one is that by allowing the FSLCs to charge up to \$75 as administrative fee to certain consumer loans would basically handicap and add a tremendous cost to those people who go and obtain unsecured loans at these institutions.

"Mr. Speaker, from my experience as an attorney at the Legal Aid Society of Hawaii as a consumer attorney, I had numerous experiences with these small service loan companies. Although I recognize that the committee tried to put some consumer disclosure protection, as far as disclosure three days before a contract is laid forth before a loan applicant, I have concerns that these people, like myself included, will not have the ability to carefully review these contracts with legal counsel prior to signing it.

Because of this, Mr. Speaker, I have the fear that the \$75 loan fee may be subsumed into the contract upon which the interest rate or finance charge will be imposed. This \$75 figure may not seem like a lot of money if we're talking about a \$25,000 loan, but as you get into the smaller loan amounts of a couple of thousand dollars, the \$75, coupled with the interest rate of up to 28 percent, can become quite a large figure.

"Because of these concerns, Mr. Speaker, I have to enter a no vote.

"Thank you."

The motion was put by the Chair and carried, and H.B. No. 2447, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL SERVICES LOAN COMPANIES," having been read throughout, passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives M. Oshiro and Thielen voting no.

#### H.B. No. 3407, HD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3407, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNFAIR AND DECEPTIVE PRACTICES," passed Third Reading by a vote of 51 ayes.

#### H.B. No. 3409, HD 1:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3409, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION," passed Third Reading by a vote of 51 ayes.

#### H.B. No. 3095, HD 1:

Representative Amaral moved that H.B. No. 3095, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"Last year at this time, I spoke briefly on the growing crisis of prison overcrowding in describing some of the facts as I understood them. At the time, I described the demographics that are affecting our prison population, the so-called 'echo boom,' under which people in the crime-prone years are moving through the crime-prone years and thus aggravating an already existing problem. And I also described the belief of those in the criminal justice system that we may well be underestimating the degree to which we are going to be overcrowded in our prisons within the next decade. And so today, I want to summarize some of the facts as we understand them a year later, and set the context for this bill.

"Today, we are 300 beds short statewide. That's about 10 percent of where we want to be out of roughly three thousand that would be optimum. That's after moving 300 to Texas, so if the people in Texas come home, we will be 600 beds short. We have approved funding on the books right now for roughly 350 beds. But at the current rate of growth, even the Department of Public Safety estimates we will need roughly 800 beds more within the next five years.

"We have the Federal Detention Center that we will be considering this session in one way or another and which is under way right now. But even if the state uses 400 beds out of that facility, that still leaves us 400 beds short. So we continue to have a severe overcrowding problem even assuming that the current projections are accurate, and again, I repeat, many people do not think those projections are accurate.

"We have discussed many alternatives. The decriminalization alternative -- an alternative which I suspect we will discuss much more in the future years -- is already happening as a practical matter. Very few people are staying in prison today for those crimes which many of us feel perhaps should justify decriminalization.

"Education and prevention are very valuable programs, but are mostly long-term programs to take generations

that have not moved into the crime years yet, and basically get to them before they move in that direction. So we're not going to erase the overcrowding problem of the next decade or two purely with education and prevention.

"Alternative programs are very valuable and many of those programs are encompassed within the bill before us, but that will not solve the problem in and of itself.

"So we're faced right back to the problem of prison overcrowding, and here are the consequences that we are seeing today, and these are indisputable. We have one of the highest rates of property crime in the whole country. Now we can sit here and we can say, well, this is attributable to tourism or this is attributable to some other reason. But what it is attributable to is the fact that we're letting property criminals out of prison before we're letting violent criminals out of prison. Now that may be a good move, but the fact is that the flexibility we have to put property criminals away and to deter them from future activity is gone at this point.

"Essentially we really have no flexibility left to handle criminals and prisoners in the sense that the criminal justice system wants to handle them and to make the punishment fit the crime. We're letting prisoners out today that I think everybody would acknowledge we really shouldn't be letting out.

"I want to tell you about four bills that were heard in the Public Safety Committee and in the Judiciary Committee that illustrate the dilemma we're in. One of the bills, which is before us today, would have restricted the pretrial release program. One bill would have restricted the flexibility of the Parole Board to grant early parole. One would have mandated minimum sentences are served. The last would have restricted the furlough program so that people would not be able to be furloughed short of their parole date.

"Now, we can debate the merits of each of these bills as to whether they are a wise approach to the criminal justice system. But that doesn't really matter, because we cannot responsibly do any of these things right now. The reason is, we don't have the ability to do any of those things because of severe prison overcrowding, and anybody that was testifying in that room knew that that was the answer, so most of those bills simply didn't proceed. Similarly, the pretrial release extension bill is up today primarily because we don't really have the flexibility to do anything else.

"I want to mention just one other consequence of this problem as we go forward. I've noticed it, and I really don't know whether my fellow committee members have; I haven't talked to them about it. But I have sensed a decline in the morale of the Police Department and in the Prosecutor's Office and perhaps in the Department of Public Safety over the last year. It's hard to go to work every day and try and do your job and basically see the same people coming at you, sometimes two weeks, sometimes a few months later. It's one of those frustrating things that you do your job, you want to see some results, and they don't. I think we have to be sensitive to what's actually happening out there on the front line.

"So this bill is just totally necessary. We really have no choice, in my mind, but to proceed along the lines of one or more of the options set forth in this bill. And so I would ask each of my colleagues, as they consider this bill and perhaps what might come back from the Senate on this particular measure, to take the emotion out of it, think about what the facts are. I have tried to describe my understanding of the facts, and they really present us

with very little choice, so we've got some very clear directions that we want to go in with criminal justice, but again, the flexibility is really not there until we solve prison overcrowding.

"Thank you."

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

"I first would like to compliment and commend my Vice Chair for his very eloquent discussion of the subject, and ask the Clerk to put his remarks down as though they were my own," and the Chair "so ordered." (By reference only)

"At the risk of sounding facetious, I will tell you that when I saw this bill, the first thing which came to mind was, gosh! this has everything our little hearts desire, and which is true. Facetious though it may sound, to be the Chair of Public Safety and Military Affairs and have to turn to my committee, regretting the fact that I don't have the wisdom of Solomon, and say, the Chair has to recommend that we do not pass these bills which would tighten up on the amount of time that you spend on mandatory minimum sentences, to tighten up on who goes on work furlough, and to certainly tighten up on the paroling of people, was really a very hard experience.

"I welcome this bill, and I do hope that we will find the money to finance these because, really, as Representative Case said, the bottom line is, we are going to need new prison beds, and we have tried everything we could to try to alleviate that, but we're not going to be able to cure it without doing some of these measures.

"Thank you very much."

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

"With the previous speaker's words very profound, very adequate, I would like to add a few more concerns of my own.

"I believe we're no longer at a time of hope, that we can find the funds to build new prisons. I believe that we, as legislators, can no longer ignore the fact that we contribute to the crime problem in Hawaii when we fail to build more prisons. Most of our most heinous crimes of late have been committed by men who have been repeatedly arrested, who were not incarcerated due to prison overcrowding. And Police Chief Michael Nakamura has even said that the public needs to brace themselves for more troubles, given the practice of easing prison overcrowding by releasing offenders early.

"If we truly want to do something about our crime problem, we must vote yes on House Bill 3095. But more importantly, we need to find the funding to fulfill the appropriations in this bill. While the majority of us know that prison space is necessary, we also are aware of our State's budget crisis and that we are not in the position to appropriate more general funds, seeing as we don't have the general funds.

"However, there is a solution to this dilemma. The Corrections Corporation of America recently offered to build and operate a prison in Hawaii and charge substantially less per prisoner per day than what it currently costs our State to house an inmate. It is foolhardy for us not to accept this offer. It is foolhardy for us not to embrace private participation in our correctional facilities.

"I see this bill as the last hope for privatizing a thousand bed facility in our islands that could save millions of dollars annually. But more importantly, it will take violent criminals, and as the previous speaker from Manoa has mentioned, property criminals off our streets.

"It was also mentioned in the committee by the Honolulu Police Department that one property crime offender contributes perhaps \$435,000 worth of damages to our surrounding communities via stealing a car, the injuries incurred upon a victim -- all those costs add up -- while the cost to house that one prisoner is \$30,000 to \$40,000.

"I think in the balancing of what is more important economically, it's clear. And also morally, we have an obligation to protect our good citizens. And with that, I encourage all of us to support this bill. But more importantly, to realize that we need to find the funds, whether it comes from the general fund, special revenue bonds, or if we take the courageous step towards embracing the private sector in helping with our dilemma.

"Thank you, Mr. Speaker."

At 2:21 o'clock p.m., Representative Nekoba asked for a recess and the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 2:23 o'clock p.m., Representative Pepper rose to speak against the bill, stating:

"Mr. Speaker, knowing that there are alternatives of controlling and supervising some of the criminals in our midst and in our prisons, and fearing as I do that money will be taken which should go to building educational facilities, I am opposed to this measure."

Representative Nekoba then rose and stated:

"Mr. Speaker, it is with regret that I have to voice my reasons for voting no on House Bill 3095.

"I have been receiving calls from my district very much in opposition to the fact that within this bill is located a provision for expanding the Hawaii Youth Facility. My community has come out against it, as far as the expansion goes, and that is the reason why I am voting against this bill.

"Thank you."

Representative Ward then rose and stated:

"Mr. Speaker, I rise in support of the bill with a note of caution. Lest we be interpreted as having our tongues in our cheeks, we need to get some solid pragmatism from the Finance Committee which Calvin Say has told us all to have our feet on the ground when we look at a bill.

"Notice that this bill calls for general funds appropriation. You don't build prisons with general funds appropriation not only because there are not any, but because it shows that it's not really even a serious intention anyway. Otherwise it would say, CIP blank, so lest this be looked at something other than what it is, I think we have to look at it soberly. It's a red herring that's attached to these kinds of misleading kinds of things. But look at it, it says general funds. It's like you as a newly wed ... I'm going to put down that my goal is to buy my new house in cash. It's impossible to do.

"But, Mr. Speaker, it indicates we are still not serious about those who are running rampant upon our citizens and preying upon them and their predators in this community. What we are missing in this bill, I think

some of the key words already came out -- Wackenhut Corporation, Corrections Corporation of America -- the revolving door, or as Prosecutor Kaneshiro says, 'it's an open door,' and until we get the wherewithal, the backbone, the leadership -- not the fiscal excuses -- we don't need money. We've already said that. We've got to have the political will and the determination to do something about it, and the money will follow. So to keep saying, we can't really put these guys in jail because we don't have the money -- someday, we're going to have to make the decision and say, we're going to do it now, and we're going to have these people build it because they said they can do it. And we can have a correlation between crime and punishment, we can say there is cause and effect between your behavior and what is best for the community.

"Quite frankly, colleagues, we're going to run out of excuses pretty soon, and like the bill this morning, we're going to have to have not only eight new people here to guard us at the Capitol, it would have to be eighty people if it gets much worse.

"So, Mr. Speaker, this is a wake-up call to the reality of the language in that bill. If it was serious, it would be a CIP. If it's a cash out, it's an impossibility. We're giving lip service to the issue.

"Thank you."

Representative Kawanakoa then rose and stated:

"I just wanted to note that one of the previous speakers mentioned that the debate in balancing between spending for education or spending for prison, I have to wholeheartedly agree that an appropriate function for government is education, but I also believe that public safety is an appropriate function.

"I would simply like to note, since many of my colleagues were unable to attend the forum with the private corporations that came here, along with the Executive Director of Public Safety, Ted Sakai, the cost of housing an inmate per day in our prisons run \$75 per day per prisoner. These private corporations can house a prisoner from anywhere from \$25 to \$35 per day, depending on what prison facility they're at. It is also important to note that Ted Sakai said that the \$75 per day did not take into account the cost of building the prison; in other words, depreciation, nor the health or the retirement benefits of the employees. Those are big costs.

"The private sector prisons, on the other hand, did incorporate the depreciation on the buildings, on the capital expenditures, and it did include the employee benefits and still they come in at \$30/\$35 per prisoner per day. Again, the offer was made at that hearing without any further discussion, that if we were to give the Corrections Corporation of America some land, they would come here, they would build the prison, they would operate the prison, they would manage the prison, and they will charge us less per day per prisoner than what we are spending; in other words, less than \$75 per day per prisoner.

"If I had the authority, I would have signed the contract right there, Mr. Speaker, but I don't.

"Thank you very much, Mr. Speaker."

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

Representative Yoshinaga's remarks are as follows:

"The increase across the board in Hawaii crime rates calls for the expansion of our prison facilities as well as new correctional facilities as the older ones meet their capacity or need refurbishing. Releasing criminals back into society does not exemplify the concept of rehabilitation. Rather, it sends the message to criminals that due to overcrowding of the current prison system, receiving little more than a slap on the wrist, they will be given a second chance to properly function in society.

"I support the decision of the Finance Committee to appropriate funds for the establishment of these new correctional facilities as well as refurbishing the former Women's Community Correctional Facility.

"This is a step in the right direction for our constituents by providing society with the proper safeguards in their everyday life by keeping criminals behind bars, and providing criminals with the appropriate facilities necessary for their rehabilitation."

The motion was put by the Chair and carried, and H.B. No. 3095, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONAL FACILITIES," having been read throughout, passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Nekoba and Pepper voting no.

The Chair directed the Clerk to note that H.B. Nos. 2447, 3407, 3409 and 3095 had passed Third Reading at 2:32 o'clock p.m.

#### H.B. No. 3508, HD 1:

Representative Amaral moved that H.B. No. 3508, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Stegmaier rose to speak in support of the bill, with reservations, stating:

"Again this year, we are passing an emergency appropriation measure for mental health services, this time to children and adolescents. The bill indicates a problem with the way that we are providing mental health services to children and adolescents.

"Among other items, we're appropriating almost three million additional dollars for out-of-state placements of children from Hawaii who should be taken care of at home. By the way, members, in contrast with the out-of-state placement of prisoners, our out-of-state placement of mentally ill children is costing us six thousand dollars per child per month. Additionally, we are appropriating over \$1.5 million for the payment of direct mental health services, some of which are for services that took place as long ago as last year.

"Mr. Speaker, as the state plan for mental health services under the Felix v. Waihee consent decree gets implemented, it is hoped that this type of 'kapakahi' emergency mental health funding will no longer be necessary because it certainly doesn't fit into any particular integrated philosophy or theme that we hope will emerge from the implementation of the state mental plan for adolescents and children.

"Thank you."

The motion was put by the Chair and carried, and H.B. No. 3508, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE DEPARTMENT OF HEALTH, CHILD AND ADOLESCENT MENTAL HEALTH DIVISION," having

been read throughout, passed Third Reading by a vote of 51 ayes.

**H.B. No. 3561, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3561, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RELEASE OF LIENS BY THE DEPARTMENT OF TAXATION," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3574, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3574, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PAYMENTS TO THE STATE BY ELECTRONIC FUNDS TRANSFER," passed Third Reading by a vote of 51 ayes.

**H.B. No. 2702, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2702, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAX WITHHOLDING," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3238, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3238, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEARING AND VISION TESTING," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3508, 3561, 3574, 2702 and 3238 had passed Third Reading at 2:34 o'clock p.m.

**H.B. No. 3558, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3558, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EXPEDITED TAX SETTLEMENT PROCEDURE," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3570, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3570, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE LICENSING OF CERTAIN SELLERS," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3853, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3853, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS," passed Third Reading by a vote of 51 ayes.

**H.B. No. 2697, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2697, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REAL ESTATE BROKERS AND SALESPERSONS," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3760, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3760, HD

1, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE COMPANIES," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Yamane voting no.

The Chair directed the Clerk to note that H.B. Nos. 3558, 3570, 3853, 2697 and 3760 had passed Third Reading at 2:35 o'clock p.m.

**H.B. No. 3809, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3809, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE SIGNS REQUIRED WHERE TOBACCO PRODUCTS ARE SOLD," passed Third Reading by a vote of 51 ayes.

**H.B. No. 2444, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2444, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL SERVICES LOAN COMPANIES," passed Third Reading by a vote of 51 ayes.

**H.B. No. 2789, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2789, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOING OUT OF BUSINESS SALES," passed Third Reading by a vote of 51 ayes.

**H.B. No. 2520, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2520, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MISSING CHILDREN," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3809, 2444, 2789 and 2520 had passed Third Reading at 2:36 o'clock p.m.

**H.B. No. 2528, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2528, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT," passed Third Reading by a vote of 51 ayes.

**H.B. No. 2864, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2864, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PARENTAGE," passed Third Reading by a vote of 51 ayes.

**H.B. No. 2869, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2869, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PARENTAGE," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3346, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3346, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RECORDATION OF INSTRUMENTS IN THE BUREAU

OF CONVEYANCES OR LAND COURT," passed Third Reading by a vote of 51 ayes.

**H.B. No. 2358, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2358, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUPIL TRANSPORTATION," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 2528, 2864, 2869, 3346 and 2358 had passed Third Reading at 2:37 o'clock p.m.

**H.B. No. 2448, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2448, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL SERVICES LOAN COMPANIES," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3086, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3086, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE RENTALS," passed Third Reading by a vote of 51 ayes.

**H.B. No. 2411, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2411, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3109, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3109, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOLD AND SILVER STAMPING," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 2448, 3086, 2411 and 3109 had passed Third Reading at 2:38 o'clock p.m.

**H.B. No. 2555, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2555, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BURIAL PLOTS," passed Third Reading by a vote of 51 ayes.

**H.B. No. 2542, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2542, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3241, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3241, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROXIES," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3291, HD 1:**

Representative Amaral moved that H.B. No. 3291, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"This bill will bring some insurance relief to homeowners and put some money back into their pockets.

"Mr. Speaker, under the terms of this bill, homeowners that are insured by the Hawaii Property Insurance Association (HPIA) will have the option to insure their homes only to the extent of the mortgage, or any amount between the balance of the mortgage and the replacement value of their homes.

"There are some restrictions. They will be restricted by the limits of the plan that they are covered under; for example, under plan 1, the limit is \$125,000, and under plan 2, it is \$250,000.

"This bill will bring relief to those homeowners in tough economic times and are faced with the loss of their homes because they cannot afford full insurance coverage.

"It is obviously very prudent if you have the assets to insure the full replacement value of your home. But in some of the rural districts, with the downturn in economic conditions, loss of sugar, it is better just to cover your mortgage than to lose your home by not being able to insure it.

"I would urge the support of the members for this bill.

"Thank you."

The motion was put by the Chair and carried, and H.B. No. 3291, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PROPERTY INSURANCE ASSOCIATION," having been read throughout, passed Third Reading by a vote of 51 ayes.

**H.B. No. 3711:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3711, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Third Reading by a vote of 51 ayes.

At 2:38 o'clock p.m., Representative Amaral asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 2:39 o'clock p.m.

The Chair directed the Clerk to note that H.B. Nos. 2555, 2542, 3241, 3291 and 3711 had passed Third Reading at 2:39 o'clock p.m.

**H.B. No. 2688, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2688, HD 1, entitled: "A BILL FOR AN ACT RELATING TO 'NO RULES COMBAT'," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3102, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3102, HD 1, entitled: "A BILL FOR AN ACT RELATING TO



CONTRACTORS," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3088, HD 1:**

Representative Amaral moved that H.B. No. 3088, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"Mr. Speaker, I rise to speak in support of House Bill 3088, House Draft 1.

"I would also ask for the Clerk to insert my more general comments, but I want to point out that this bill is a significant bill for this House in terms of changing our business climate and, hopefully, producing good results for the future.

"This session, we're faced with two significant problems, i.e., a slow economy and the perception that our business climate is really in need of a kick-start. This bill is the first step in changing that perception.

"A long-term capital gains tax, as proposed by this bill, will invigorate our economy by encouraging long-term investments in Hawaii property and businesses -- the types of investments that can improve our infrastructure, rejuvenate our dilapidated and urban renewal areas and provide, hopefully, well-paying jobs in the process.

"This bill will not affect our budget crisis this session since investors will only be able to take the capital gains exemption if they had held the property for seven years after the date of this bill's enactment.

"I urge my fellow colleagues to support this measure as a step forward for the future of Hawaii.

"Thank you."

The following remarks were submitted to the Clerk by Representative Yoshinaga for insertion into the Journal:

"Mr. Speaker, this session, we in the Legislature face two problems:

- (1) A slow economy--with an uncertain future; and
- (2) A corresponding decline in the state revenues--requiring us to look at budget cuts.

"Additionally, I, as both a legislator and a small business owner, seek to respond to the increasing concern shown by the business community in Hawaii, whether small or large to inefficient government regulation, numerous burdensome taxes and fees in addition to the high cost of doing business here due to Hawaii's unique geographical location and size such as the cost of transportation requirements of our isolated location, lack of infrastructure, small pool of investors for capital (although many invest in real estate) and raw materials. This bill seeks to address one of these problems: the lack of available capital to provide businesses with start-up and expansion funds.

"A long-term capital gains tax will invigorate the economy by encouraging long-term investments in Hawaii property and businesses -- the types of investments that can improve infrastructure, rejuvenate dilapidated areas and provide quality, well-paid jobs.

"However, I also believe in the necessity of government -- that core government services -- including those which

benefit businesses whether education, infrastructure, registering and policing of fraud -- consumer protection -- to the basic institutions -- the courts, Legislature and executive functions as well as those mechanisms which help the public to understand and access government and laws. Therefore, I support the efforts of this House to control spending and maintain current revenues. I understand the concern that with the current budget crisis, our focus needs to be on reducing government spending before we can truly address cutting taxes wholesale since to maintain the quality of life here, essential government services need to be allowed to adjust to providing services with less -- become more efficient -- so those who depend on services won't be harmed.

"A long-term capital gains exemption takes into account these considerations. This bill will not aggravate the current budget crisis -- since investors will only receive an exemption only if and when they have held Hawaii for seven years -- after the enactment. At the same time, it responds to the needs of Hawaii businesses and economy in general in encouraging capital investment."

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

"I think it's absolutely appropriate that we try to invigorate our economy by giving people incentive to invest, and it should also be noted that this sort of capital gains leniency allows people to invest money, allows people without the capital to start businesses. That means the otherwise waiter or waitress that is now working at a restaurant who doesn't have the capital can now go out and get venture capital from someone who does, and break off on their own and become independent and earn a decent living in our islands.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and H.B. No. 3088, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM CAPITAL GAINS TAX," having been read throughout, passed Third Reading by a vote of 51 ayes.

**H.B. No. 3550, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3550, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONFORMITY TO THE INTERNAL REVENUE CODE," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 2688, 3102, 3088 and 3550 had passed Third Reading at 2:42 o'clock p.m.

**H.B. No. 4021, HD 1:**

Representative Amaral moved that H.B. No. 4021, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Ward rose to speak against the bill, stating:

"In its present form, Mr. Speaker, there are blanks where incomes will begin with threshold and percentage of a taxation. It could be one hundred thousand, it could be seventy-five thousand, it could be fifty thousand, twenty-five thousand -- who knows what it may do? But we are sure this bill will take money out of the pockets of the elderly. That could happen if House Bill 3402 -- taxing annuities -- passes as it just has. It would be a double whammy.

"What does it take to live in Hawaii? Twenty thousand if you're having two kids, maybe thirty thousand if you have three or four. People who have jobs are just barely making ends meet as it is now, Mr. Speaker. These are people that worked hard, they've retired, and we're saying -- well, we want to hit you where now you are to be resting.

"This tax increase should be recognized for what it is. It is a money-making scheme necessitated by bad policy ... we didn't balance our budget and we're trying to get revenues up. But all of you in small business know that when you have problems with your business, you not only try to get revenues up, you try to get expenses down, and I think my colleagues have tried to emphasize that today. There are two sides to the equation, not just one -- two.

"This bill, Mr. Speaker, adds insult to injury because we've already shut out the poor by the tax credits that we were giving them. We took away the food, the rent, the low income tax credit, and now the General Assistance is out. And this bill comes in and says -- well, let's hit the elderly who've got a pension.

"I would just end with one question. If the State has already attacked the weak and the vulnerable here, how can anyone in this room, including my colleague from Mililani, say this is the work of a Congress in Washington, D.C. by the title of Republicans?

"Thank you, Mr. Speaker."

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

"Also, Mr. Speaker, I rise to enter into the record the words of the Tax Foundation of Hawaii. Often I don't agree with them, but today I happen to. What they say essentially, Mr. Speaker, is that 'this measure, from an equity standpoint, places a cap on pension income exclusions and is a sound idea to the extent that personal income taxes, based on the ability to pay a blanket exemption such as a pension income, is unfair to the remaining taxpayers who must shoulder the burden.'

"It is also supported, of course, by the Director of the Department of Taxation who says that generally pension income received for past services are exempt from full Hawaii income tax, and upon distribution from the private employer's pension plan at retirement, only the earnings on the amount attributable to the employer's contribution is presently taxable.

"This revenue would go far in assisting the State in being able to deal with the need for other revenues. It also requests that all members of the society here in Hawaii carry their fair share. To that end then, Mr. Speaker, I hope the members will consider supporting this measure.

"Thank you."

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

"I would ask the members to look at the bill. I think from a process point of view, it is a very unwise step to pass a bill without the dollar figures in it. I recognize that the dollar figures ultimately will be penciled in or inked in, but we also have a responsibility as voting legislators to make sure that that amount will not be too onerous. We are abrogating our responsibility today on that. It's really a blank check for government to take money out of peoples' pensions, and I don't like to pass a measure with all the figures not placed into that bill.

"Thank you."

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

"It may be argued that the elderly deserve special treatment or that we shouldn't be balancing the budget on the backs of the elderly. However, members, not all people receiving pension income are elderly, and not all the exemptions are provided by Hawaii law. What this measure tries to do is to attempt to achieve some parity and equity in our current tax laws.

"An article that was written by Professor Jack Syderhau of the University of Hawaii who was an economist with the Council on Revenues appeared in Chapter 15 of **The Price of Paradise** that members got a chance to read, which indicates that in 1989, approximately 37 percent of all pension incomes received by Hawaii residents went to those with an adjusted gross income of \$50,000 or more. By excluding all pension income from the tax base, the well-off retired actually benefit more than the elderly poor.

"A 1989 study conducted by the Tax Review Commission indicated the exclusions for pension income result in a 5 percent reduction in all tax collections -- approximately \$35 million in 1990. To put it into a different perspective, that translates to about one hundred dollars in additional income tax to every filer in the State of Hawaii -- you and I.

"In addition to the exclusion of the pension income, Hawaii law provides an extra exemption to just the elderly -- an extra thousand forty dollars -- that is checked off in the tax form. This reduces taxable income even further.

"Mr. Speaker and members, quoting from **The Price of Paradise**, Hawaii is a great place for golfing and boating, and it is one of only two states that exempts all pensions and social security income from State income taxes. All our retired executives can receive unlimited income from such sources, pay no state income tax, and qualify to receive a welfare check in the form of refundable tax credits. With the help of an aggressive tax adviser, a clever person at any age may be able to receive tax-free pension benefits from his or her controlled corporation.

"As an example, Mr. Speaker and members of this House, I offer the following data based on a hypothetical household in 1990. Household A -- a working family with two children making \$40,000; Household B -- a retired couple making \$40,000 interest income; and Household C -- a retired couple making \$40,000 in pension. The tax liability of the family of four, Household A, is about \$1,843; the tax liability of the retired couple with interest income, Household B, is \$158; and the tax liability for the retired couple with pension income, which is Household C, is zero. In fact, members, they get a refund of \$1,050 from the State of Hawaii.

"Thus, members, this measure merely attempts to achieve some parity for all taxpayers who are living in the State of Hawaii. And for this reason, Mr. Speaker, I hope the members would support us on House Bill 4021, House Draft 1.

"Thank you, Mr. Speaker."

The following remarks by Representative Tarnas, against the bill, were submitted to the Clerk for insertion into the Journal:

"Mr. Speaker, I rise to speak in opposition to this bill.

"The primary reason for my opposition is the lack of a defined cap for this new tax on pensions. There are many retired citizens in my district and I must look out for their interests. Once the figures are identified, I will gladly reconsider my position."

The motion was put by the Chair and carried, and H.B. No. 4021, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PENSION INCOME," having been read throughout, passed Third Reading by a vote of 36 ayes to 15 noes, with Representatives Anderson, Halford, Hamakawa, Hiraki, Kawanakoa, Marumoto, Meyer, Pepper, Saiki, Stegmaier, Takai, Takumi, Tarnas, Thielen and Ward voting no.

#### **H.B. No. 3541, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3541, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PAROLING AUTHORITY," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3545:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3545, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF PUBLIC SAFETY," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3546, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3546, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONS," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 4021, 3541, 3545 and 3546 had passed Third Reading at 2:52 o'clock p.m.

#### **H.B. No. 2975:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2975, entitled: "A BILL FOR AN ACT RELATING TO DRUGS," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3338:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3338, entitled: "A BILL FOR AN ACT RELATING TO DEPOSIT OF PUBLICATIONS," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 2896, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2896, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NOTARIES PUBLIC," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 2956, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2956, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VOLUNTEER SERVICE," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 2983, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2983, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL RECORDS," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Cachola and Chang voting no.

The Chair directed the Clerk to note that H.B. Nos. 2975, 3338, 2896, 2956 and 2983 had passed Third Reading at 2:53 o'clock p.m.

#### **H.B. No. 3350, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3350, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PAYMENT OF CHILD SUPPORT," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3572, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3572, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENFORCEMENT OF CRIMINAL PROVISIONS UNDER TITLE 14 ADMINISTERED BY THE DEPARTMENT OF TAXATION," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3595, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3595, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ABSENTEE VOTING," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3279, HD 1:**

Representative Amaral moved that H.B. No. 3279, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Swain rose to speak against the bill, stating:

"Mr. Speaker, the reason that I stand in opposition to this bill is that, as a person who grew up on Hawaiian home lands, I feel that I understand pretty well some of the problems that occur within the Department of Hawaiian Home Lands and with the beneficiaries.

"I understand what the Chairman of the Hawaiian Affairs Committee is trying to do with this bill, and I agree with his goal, which is to stop the transfer of unimproved land to someone who received the Hawaiian Home Lands lease, that they would not be able to transfer that and receive monetary compensation.

"The problem with this bill is that I don't believe that it actually does that. I think it does stop it in a sense that it will hurt many, many Hawaiian Home beneficiaries. It will hurt many of the farmers on the island of Molokai who now are able to farm their lands or sublet those lands to be farmed -- many of them watermelon production by the largest watermelon producer in the State. They would not be able to do this any longer if this bill were to pass. Economically, you would devastate many of the Hawaiian Home Lands beneficiaries on the island of Molokai.

"As well as I think the time has come when we need to treat some of our Hawaiian people as we would other lessees, they lose so many of their rights under this bill that I am afraid that it would set them back and not put people on the land, which is the intention of the bill. But

it really takes people off the land and not allow them to do many of the things that they now are able to do.

"For those reasons, Mr. Speaker, I am voting against this bill, but I will support the Chair as we move towards the goal that I think he has for this. I hope that we can use another means of doing that.

"Thank you."

Representative Kawanakoa then rose in opposition to the bill, and requested that Representative Swain's remarks be entered into the Journal as his own, "except for the part about being raised on a homestead. Unfortunately, I was not raised on a homestead. However, my constituents from Papakolea, in their meetings and otherwise, have informed me that they would be opposed to the unintended results that may occur from the passage of this legislation, so for that reason especially, I will be voting no."

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

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

"The purpose of the bill, Mr. Speaker, is to prohibit the lessees of Hawaiian home lands from selling, subleasing, or transferring the lease interest for compensation. It will allow the Department of Hawaiian Home Lands to offer incentives to reclaim the land from awardees who do not improve the land.

"I note that a great many groups spoke in opposition to this bill and that the intention of the Chair is to draft a resolution establishing a task force to study the issues and the concerns that were raised on this.

"I would like to offer, however, my own manao on this, and that is that the controversy that's being discussed right now, or that is inherent in the Hawaiian homes communities, is the idea of whether or not we need to keep the Hawaiian Homes Trust in perpetuity. Or have we come to a time when perhaps it's time for people to be able to buy their leases and own their land in fee? I'm not sure that we're ready for that discussion. I'm not sure that that's what this bill is intending to deal with. But when you see a large group of people testifying and they're of the blood and they're testifying against a measure that wants to prohibit the selling, subleasing, and transferring of the lease, I think it's important to understand perhaps what the controversy is at the heart of it.

"Clearly, this is an issue that does require a great deal of discussion, one that may not be solved this session. But I think this measure needs to move forward, and I would request the support from all of our members, Mr. Speaker.

"Thank you."

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

"I respect what the Majority Floor Leader stated. I think it fits right in with what the Department of Hawaiian Home Lands is asking. It's saying -- do a resolution, establish a task force, study the issues and the concerns, and do that before you act on this bill. I think that would be a more prudent way to do it. And I would hope that the Senate would agree and that the measure would not come back in a form like this, but would come back requesting for a task force to study the issues.

"Thank you."

The motion was put by the Chair and carried, and H.B. No. 3279, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN HOME LANDS," having been read throughout, passed Third Reading by a vote of 41 ayes to 10 noes, with Representatives Anderson, Halford, Kawanakoa, Marumoto, Meyer, Morihara, Swain, Thielen, Ward and White voting no.

The Chair directed the Clerk to note that H.B. Nos. 3350, 3572, 3595 and 3279 had passed Third Reading at 3:01 o'clock p.m.

#### **H.B. No. 3741, HD 1:**

By unanimous consent, action was deferred to the end of the calendar.

#### **H.B. No. 3970, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3970, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING FINANCE AND DEVELOPMENT CORPORATION," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3096, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3096, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RETURN OF MERCHANDISE," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3099, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3099, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THEFT OF UTILITY SERVICES," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3146, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3146, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE LEGISLATIVE AUDITOR," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3970, 3096, 3099 and 3146 had passed Third Reading at 3:02 o'clock p.m.

#### **H.B. No. 2416, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2416, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CIVIL RIGHTS COMMISSION," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 2516, HD 1:**

Representative Amaral moved that H.B. No. 2516, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

The following remarks by Representative Yoshinaga, in favor of the bill with reservations, were submitted to the Clerk for insertion into the Journal:

"The original intent of House Bill 2516 was to reclassify manslaughter as a class 'A' felony as opposed to a class 'B' felony, and address the issue of the determination of

reasonableness of the explanation by the defendant. The bill permits persons convicted of manslaughter the possibility of probation, a luxury not offered the other class A felonies.

"Under current Hawaii state law, manslaughter is a class B felony. Promotion of prostitution in the first degree, sexual assault in the second degree, burglary in the first degree, and robbery in the second degree are likewise class B felonies. Sexual assault in the first degree and robbery in the first degree are class A felonies. The value of human life, whether death be caused 'voluntarily' or 'involuntarily' seems to have been depreciated. Inconsistencies in the level of a violent criminal act with its classification by state law are prevalent. Criminals must not be given the impression that criminal behaviors will be tolerated. The diversity of crimes encumbered in felony class A and B offenses provide misconstrued notions that the crimes are of equal intensity or violation when indeed they are not.

"This bill permits a manslaughter convictions the possibility of probation. This is unnecessary. Why should we reclassify a crime to a level that requires harsher penalties and then offer a way out to the criminal? Persons convicted of class A felonies are sentenced to an indeterminate term of 20 years. Because it is an indeterminate sentence, offenders are still eligible for parole at the discretion of the Hawaii Paroling Authority. Offenders already have that opportunity for release.

"Criminals do not belong back in the society which they violated without proper rehabilitation. Regardless of the overcrowding of prisons, the answer is not to simply allow them back into society and threaten the populace. We truly need an increase in prison facilities."

The motion was put by the Chair and carried, and H.B. No. 2516, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MANSLAUGHTER," having been read throughout, passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 2609, HD 1:**

Representative Amaral moved that H.B. No. 2609, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"I am pleased that the Judiciary Chairman has decided to hear this bill and pass it. This bill adds the crime of arson to the criminal code.

"This bill gives the police, prosecutors, and the general public a new weapon in the fight against home property crimes.

"The current laws are much too weak to discourage those who rob homes to feed drug habits or just to steal, from burning down the homes to destroy the evidence. In many cases in my district of arson, police and prosecutors will just not press the charges because the laws are too weak.

"There was a house burned to the ground near my home by vandals that stole a moped from the home and then burned the home down in order to destroy the evidence and escape prosecution. To this day, they have not been prosecuted.

"I am very pleased about this bill. It will be a big help to the increasing number of crimes in my district that involve arson, and I ask the support of the members.

"Thank you."

The motion was put by the Chair and carried, and H.B. No. 2609, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ARSON," having been read throughout, passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3544, HD 1:**

Representative Amaral moved that H.B. No. 3544, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Thielen rose to speak against the bill, stating:

"A little bit earlier, we heard a representative from the urban caucus talk about the commission that is going to be established to study crime and the concern of escalating crime in our society.

"Well, it's great to do a study, and that's fine. I agree with that. But then we are also looking at a bill that we're passing which is going to extend the period of time for allowing the Director of Public Safety to release pretrial inmates.

"I think that the problem that we're facing today is -- which comes first? And actually, both things have to come first. Do we first allocate the money to build the additional bed space, or do we first say we're going to crack down on crime in our society? I think they go hand in hand.

"I really respect what the Representative from Manoa had to say. I think he had very compelling arguments, but unless we force both of these issues forward together, we're always going to be lagging with the bed space because we won't have laws on the books that mandate that we're going to crack down on crime.

"I don't think we have the luxury anymore, Mr. Speaker, of allowing our residents to live in fear of their safety. They aren't safe on the streets, they aren't safe in their homes. And we have heard about the escalating statistics of crime in our society. So, unless we go forward with determination on both counts, more bed space, more tough laws on crime, I think we are doing a disservice to the people in our community.

"Thank you."

Representative Yoshinaga then rose to speak in support of the bill with reservations, stating:

"I would just like to express again the concerns that I think we all share in ... how do we deal with where we are and where we're going in terms of dealing with crime in our communities?

"I am voting in favor of this measure because I think we are faced right now with a Hopson's choice, that we've got one foot in and one foot out, in terms of dealing with short-term and long-term goals which the Representative from Manoa so eloquently spoke about earlier. But in the meantime, we must deal with finding resolution for current prison overcrowding, and that's the reason that I'm supporting this measure. I think that again, as so recently discussed, we need to continue to study what is the most effective ways to deal with fighting against crime on all levels, both educational, rehabilitative, as well as deterrence measures, and that's the purpose of keeping crime as a priority, as a core responsibility of government.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and H.B. No. 3544, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RELEASE OF PRETRIAL INMATES," having been read throughout, passed Third Reading by a vote of 44 ayes to 7 noes, with Representatives Anderson, Halford, Kawanakoa, Marumoto, Meyer, Thielen and Ward voting no.

The Chair directed the Clerk to note that H.B. Nos. 2416, 2516, 2609 and 3544 had passed Third Reading at 3:07 o'clock p.m.

#### **H.B. No. 3924, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3924, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AMMUNITION," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 2607, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2607, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DISPOSITION OF DEFENDANTS," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 2840:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2840, entitled: "A BILL FOR AN ACT RELATING TO WILDLIFE," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3521, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3521, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONSERVATION DISTRICT," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Yoshinaga voting no.

The Chair directed the Clerk to note that H.B. Nos. 3924, 2607, 2840 and 3521 had passed Third Reading at 3:08 o'clock p.m.

#### **H.B. No. 3917, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3917, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GAME MAMMALS," passed Third Reading by a vote of 45 ayes to 6 noes, with Representatives Anderson, Marumoto, Meyer, Morihara, Thielen and Ward voting no.

#### **H.B. No. 2825, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2825, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3233, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3233, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LABELING," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 2443:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2443, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL SERVICES LOAN COMPANIES," passed Third Reading by a vote of 50 ayes to 1 no, with Representative M. Oshiro voting no.

The Chair directed the Clerk to note that H.B. Nos. 3917, 2825, 3233 and 2443 had passed Third Reading at 3:09 o'clock p.m.

#### **H.B. No. 3298, HD 1:**

Representative Amaral moved that H.B. No. 3298, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"This bill deals with non-commercial drivers licenses, category 3 gross vehicle weight rating.

"I think this is an example of a very good bill which will be helpful to small businesses. The old law set the need for a PUC license at 10,000 gross weight for vehicles. With the change in technology, many trucks that used to be 10,000 or under are now 11,000, making it difficult for small businesses. They have to have one driver that must get this license that's more costly and more time-consuming, and with this bill, it will not be required. It will be helpful for numerous businesses in our community.

"For that reason, I applaud the introducer and feel that this is a good example of a pro-business bill.

"Thank you."

The motion was put by the Chair and carried, and H.B. No. 3298, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," having been read throughout, passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3925, HD 1:**

Representative Amaral moved that H.B. No. 3925, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Swain rose to speak against the bill, stating:

"The public access channel, the cable TV company on Kauai that does this, cannot afford to do this. They just don't have the means of doing this if we put this into law.

"For that reason, I am against this."

The motion was put by the Chair and carried, and H.B. No. 3925, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CABLE TELEVISION," having been read throughout, passed Third Reading by a vote of 50 ayes to 1 no, with Representative Swain voting no.

#### **H.B. No. 696, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 696, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WAGES AND HOURS," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 2991:**



On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2991, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," passed Third Reading by a vote of 51 ayes.

#### H.B. No. 3468:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3468, entitled: "A BILL FOR AN ACT RELATING TO UNASSEMBLED EXAMINATIONS," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3298, 3925, 696, 2991 and 3468 had passed Third Reading at 3:11 o'clock p.m.

#### H.B. No. 3519:

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3519, entitled: "A BILL FOR AN ACT RELATING TO BOILER AND ELEVATOR SAFETY LAW," passed Third Reading by a vote of 51 ayes.

#### H.B. No. 2515, HD 1:

Representative Amaral moved that H.B. No. 2515, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"The purpose of this bill is to require students to attend a public or private school until sixteen years of age rather than eighteen years of age.

"In order for this legislation to have teeth and be able to attain its goal, the following are safeguards included in the regulation.

"This bill requires that students leaving school before eighteen must have their parents' or guardians' permission, which is designed to prevent a mass exodus of students from leaving high school. It also requires the Family Court and the Departments of Education, Health, Human Services and Labor, with the assistance of the Legislative Reference Bureau, to study the laws and possible effects for drop-outs. In addition, before the law is implemented on July 1, 1998, and that's a period of more than two years, Mr. Speaker, this bill proposes to develop a plan to assist students to pursue a path that will lead to gainful employment or job training. Furthermore, this bill also requires the Legislative Reference Bureau to submit a report of its findings and recommendations to the Legislature no later than twenty days prior to the beginning of the 1997 Regular Session.

"However, Mr. Speaker, despite these safeguards included in the regulation, those who have concerns of the bill feel that educators are giving up too easily. The police and courts are concerned that crime may increase as sixteen year olds with no skills and little job prospects go out into the community. They also point out that many of these students come from dysfunctional families and need some time to mature, focus, and find themselves. Sixteen is too early an age to give students the choice to make a decision that will affect their entire life.

"On the other hand, many lawmakers, Mr. Speaker, and I feel it is time for something to be done to improve the learning environment because educators have stated that the current system does not work. Educators talk of

constantly having to spend many hours disciplining disruptive students who do not want to be in class, and it is believed that most of these students have already a record of truancy. As a result, educators claim that the quality of instruction is lowered and good students are being denied the education they deserve. I feel it is unfair for students who are serious about learning to be forced to be in a non-conducive environment with constant disruptions. It makes learning more difficult on their part.

"I would like to believe that this bill will also send a strong message to parents that they must help direct their children at an early age about the importance of education. Although it seems that this bill may be detrimental at first, I strongly feel that this bill will serve as a preventive measure and will work for the best in the long run.

"Thank you, Mr. Speaker."

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

"Mr. Speaker, over the past recess last week, I had the opportunity of visiting the alternative learning center on the island of Kauai for Kapaa High School. I learned a lot from being there, in a sense that these were most of the real bad kids that had been truant, problem kids on campus, and teachers didn't want them in class.

"They were now attending this alternative learning center which was not on the campus but was on separate Department of Education land. Their teachers are the football coaches who are also teachers as well. Girls, boys -- 7th grade to 12th grade -- all combined in one class with about 40 somewhat students. They have a much more relaxed curriculum that they work with. They are allowed to do things like go to the beach during the day, go to the park, play sports during the day while other kids are in class, but they come back to the classroom and they do their scheduled work. They built the building they are in. They learned carpentry skills, they learned building skills -- things that they can take with them. They will receive a diploma, and their main concern when they asked the teachers was -- what kind of diploma do we get? Is it going to say ALC on it? And it won't. It will say Kapaa High School on it when they graduate. They're proud of their accomplishments, they're proud of what they're doing. The teachers are happy because they're out of there. The school right now is working better because of this program.

"I support getting the bad kids out of the classroom and letting the teachers teach and the students learn, but I also feel we need to put in place alternatives or else we are going to have problems. That needs to happen throughout the State. It came about because you had a principal who cared, a district superintendent who cared, and teachers who cared as well. So I hope that we can create some of those alternative programs.

"Thank you, Mr. Speaker."

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

"I couldn't be here without taking the opportunity to also speak to the Chair of the Senate Education Committee as to what the problems are with this.

"As I noted on Second Reading, this bill does not -- **does not** -- target troubled youths. This bill targets every sixteen year old -- **every** sixteen year old. This bill does not guarantee one cent for troubled youths. This bill does

not guarantee that we will create more programs for troubled youths.

"This bill says that **every** sixteen year old has the opportunity, if you want to call it that, for the State to give up on them, for them to leave school for whatever reason -- pressure from parents to go out and get a job, whatever. This bill does not focus on the problems that others have most expressed.

"I appreciate the attempt to deal with disruptive youths, and the frustration that we haven't done it well. I also appreciate our own Chair of Education's indication that they'll be looking at a variety of ways to improve this vehicle. But as it stands, studies notwithstanding, once the toothpaste is out of the tube folks, we have said to every sixteen year old, three quarters of which don't go to college today, we've said to three quarters of our sixteen, seventeen or eighteen year olds -- why be there? And they will pose that question themselves or to their parents, and my fear is that a significant number of folks who would have completed high school, may not. That's why the structure of this bill must be seriously amended in conference -- must be amended. It's the cart before the horse.

"It is terrific to say that we are committed to getting disruptive kids out of the classroom in alternative programs. And as the previous speaker said, there are examples of successful programs without lowering the compulsory age of education. We just heard a very effective one. Why aren't we not insisting that these programs be there for the targeted youths implied in this particular bill?

"But no, this bill says **every** sixteen year old, and that's the problem with it. That's why we need to work very hard to make sure that we are not giving up on any of our kids. If we're not sending the wrong message, the message that a high school diploma maybe is not important, I think the message is that every year of education is extremely important and if you're not going to college, those last two years are perhaps more important to you than they are to anyone else. We can't give up on these kids. We must target the ones that are the problem that need the attention, but we should not say to an immature sixteen year old -- if you can get your parent's signature, you're out of here. Because we know that an overwhelming amount of crime is committed by kids who are on the wrong path, who are teenagers. And what are those teenagers going to be doing if they do leave the school system because we've said, you don't have to be here? They are going to be out stealing cars. That's how you measure the effectiveness of this bill. They are going to be out getting into drugs, other problems.

"It's great to feel we're getting tough, but getting tough is not solving this problem. Getting tough is creating the programs as illustrated by the previous speaker. That's getting tough. Getting tough is not giving up. Getting tough is finding the money and giving the resources and the ability to the Department of Education administrators to identify those folks who need to be in alternative programs and perhaps insist that they be in alternative programs.

"So, for those reasons, I would urge both Chairs of the Education Committees to take a hard look at the structure of this bill in conference.

"Thank you."

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

"Along with the eloquence of the previous speaker, I note a nature in his speaking that goes beyond the realm of the real to the unreal. There's an exaggeration in the fears that he is expressing, and I want to explain that this bill, as much as being one that lowers the compulsory age for education, is not a bill that causes the Department of Education or anyone else to turn our backs on the alienated youngsters of our society. I'd like to make several points that I think will clarify that I believe there's a chance for this bill to have the opposite effect.

"Over the seven years, Mr. Speaker, that I have been on the Education Committee, we've looked into matters of discipline year after year. Studies have been done, more moneys have been pumped into the school, in-school suspension programs, alternative learning centers have been augmented and consolidated in various locations. Yet, with all the focus on school reform, raising the standards, assessment and accountability systems, et cetera, what to do with students who don't fit into the regular classroom and don't fit into alternative learning programs -- these are the students that we're talking about here. Not the ones that are going to school everyday, but the ones that are so disaffected from school that they're not even participating in any program. What to do about these students has never been answered.

"Concerns have been raised by the previous speaker about the prospect of literally thousands of students walking out of their classrooms the moment this bill is signed into law. Mr. Speaker, there are at least three reasons why that is not the case.

"First, most of the students we're talking about are already truant. They are already out on the streets and many of them, as I mentioned before, are used as jurisdictional footballs. They are kicked back and forth between the school and the Family Courts. As an aside, this situation points out why this bill is needed. The travesty that this bill seeks to correct is that principals and counselors are spending an inordinate amount of time in school, in the community, rounding up students, and in Family Court, chasing after kids who, at this point in their lives, don't want to be in school. This takes away from the support and nurturing that these educators should be providing to the 98 percent of the student body who are interested in getting an education.

"The second reason, Mr. Speaker, that there won't be a wave of students leaving school is that the bill requires a parent or guardian to consent to such a change. This means that a very deliberate process of assessment and planning will be undertaken by the school official, the student, and the parent or guardian. And such planning should result in sound decisions being made about the student's near future. No longer will principals have to go on roundups with law enforcement officials, as they are sometimes doing right now, in which students are arrested for being chronically truant.

"Lastly, Mr. Speaker, the alarmist who would attempt to scare us into thinking that disaster is imminent needs to be reminded that this bill doesn't go into effect until 1998. And in the meantime, a lot of good work is going to be required of the departments responsible for youth. Before next session, they and the Family Court will be answering questions like ... who will voluntarily take action to exclude themselves at age sixteen from school? Who, realistically, will voluntarily take this action? What is their job and family situation? What alternative learning programs are available now, and how might they be expanded to provide for truants? What plans can they all come up with to provide some guidance for these young people?

"The second year, Mr. Speaker, before the law goes into effect, will be a period to implement the plan. By then, hopefully, we will have developed our school-to-work programs throughout the State which should interest many of these students in returning to a mainstream program.

"Mr. Speaker, the contention by the previous speaker is that this bill rids the Department of Education of its responsibilities. I believe it is more accurate to say that all departments and the Family Court and the Legislature and the students' parents share in the responsibility for this disaffected group of youngsters. It is because we care about the majority of students who desire to get a good education, that we are taking the action we take today. But it's also because we care about the students who are not attending school, that we pass this bill today. Something must take the place of benign neglect which exists towards this forgotten group of young people today. All agencies of government must work together with parents to provide for these youngsters. I believe that this bill is the catalyst for action that is needed over the next couple of years.

"Mr. Speaker, seasoned educators have told me that often the best thing for sixteen, seventeen year olds who feel disaffected from school is to learn firsthand how limited their options are without an education. They tell me that once a student has such a realization that school is important, a 180-degree turnaround in the student's attitude often occurs. As a group of teachers from McKinley High School wrote recently, 'We urge passage of House Bill 2515, which would allow students who want to learn to do so. Those who do not want to learn in public schools would be free to learn from the school of life.' It is our intention, through this bill, to limit the number of students who must learn from the school of life. However, it is also our intention to prioritize -- to prioritize -- the needs of students, teachers and principals who daily deal with the problems that beset our schools. We need to guarantee a better learning environment.

"For these reasons, I ask my colleagues to support this measure.

"Thank you."

The following remarks by Representative Pepper, in support of the bill, were submitted to the Clerk for insertion into the Journal:

"We do face a problem of young people, ages 16 to 18, who do not want to be in school. But the problem is society's -- not the Department of Education's. We have given the Department of Education the responsibility to educate our children, not to confine those who don't want to be there.

"Let us look to solutions to educate, to socialize 16 to 18 year olds who don't want to be in school, but let us pass this bill and let the educators get on with the job of educating those who want to be there."

The motion was put by the Chair and carried, and H.B. No. 2515, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COMPULSORY SCHOOL ATTENDANCE," having been read throughout, passed Third Reading by a vote of 46 ayes to 5 noes, with Representatives Hamakawa, Kahikina, Saiki, Santiago and Shon voting no.

#### **H.B. No. 3249:**

Representative Amaral moved that H.B. No. 3249, having been read throughout, pass Third Reading, seconded by Representative Thielen.

The following remarks by Representative M. Oshiro, against the bill, were submitted to the Clerk for insertion into the Journal:

"I oppose the passage of House Bill 3249. House Bill 3249 would require each school to adopt a community service requirement for graduation from high school.

"I feel that such a legislative initiative unnecessarily infringes upon the jurisdiction and powers vested on the Board of Education under Article X, Section 3 of the Hawaii State Constitution. Article X, Section 3, provides: 'The Board of Education shall have the power, as provided by law, to formulate policy and to exercise control over the public school system through its executive officer, the Superintendent of Education...the Board shall have jurisdiction over the internal organization and management of the public school system...'

"We should avoid, if possible, micro-managing the educational curriculum and leave the determination of graduation requirements to the Department of Education and the Board of Education.

"Finally, I am concerned that community service as a requirement for graduation devalues an important civic lesson that arises from voluntary community service. Students should understand that as a society, we value and encourage volunteerism because it reflects selfless service to our community. In other words, volunteerism is one's intrinsic reward for unselfish service to our community and society.

"For these reasons, but with all due respect to the bill's supporters, I must vote no on this measure."

The motion was put by the Chair and carried, and H.B. No. 3249, entitled: "A BILL FOR AN ACT RELATING TO COMMUNITY SERVICE," having been read throughout, passed Third Reading by a vote of 50 ayes to 1 no, with Representative M. Oshiro voting no.

#### **H.B. No. 3252, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3252, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RECODIFICATION OF THE EDUCATION STATUTES," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3519, 2515, 3249 and 3252 had passed Third Reading at 3:32 o'clock p.m.

At 3:33 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 3:40 o'clock p.m., the Vice Speaker assumed the rostrum.

#### **H.B. No. 2502, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2502, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FINANCES," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 2709, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2709, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AN EMERGENCY AND BUDGET STABILIZATION FUND," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3135, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3135, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL OBLIGATION BONDS," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3387, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3387, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CLAIMS AGAINST THE STATE," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3388, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3388, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 2502, 2709, 3135, 3387 and 3388 had passed Third Reading at 3:41 o'clock p.m.

**H.B. No. 3389, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3389, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MUNICIPAL LEASES," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3800:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3800, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR IMMIGRANT SERVICES," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3823, HD 1:**

Representative Amaral moved that H.B. No. 3823, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Ward rose to speak against the bill, stating:

"Mr. Speaker, in all due respect to the Chair of Finance and after reconsideration, I must oppose this bill that would furlough state workers one day a month.

"The bill represents, I think, symbolically all that's wrong with the budget crisis that we are going through, or the process by which we are trying to handle it. As the state budget crisis deepens, more Band-Aids like this one are going to be distributed or rendered about by the legislative nurses that have attended to this one.

"This bill would indiscriminately lay off every state employee once a month instead of determining what government activities are essential at which state positions should be remaining. Those state workers who know what we're doing even resent this bill because they know where the deadwood is in their departments. They are saying, why are you doing this to all of us? Why don't you cut where you should cut, abolish instead of polish?

"The situation reminds me of a relationship, Mr. Speaker. For example, when you know you need to end a

romance, do you make a clean cut, or do you say, I think we should see each other less? Instead of seeing its employees less, the state should make a clean break, meaning the point to say is to take a look at what we should and should not be doing in government. Define those essential services.

"Some would say that this bill is no more responsible than if we lined up every state employee on Beretania Street and every thirtieth employee got sacked, as the Legislature marched down Beretania Street in front of that. Or, stated in a different way, Mr. Anzai said that in other words, this is a pay cut. I think we are mindful of what he said that in 1998, our fund balance, our ending fund balance, is going to be down to \$1.8 million, so I know there's a rush to get on with this and, technically, I know those who stand up and respond will say that we've got to do this. But I am saying it is symbolic of the problem with our turnaround in our crisis.

"Although well intentioned, the furlough bill is not a solution -- it is avoiding the real problem. For example, we increased the work force employment from 21.3 percent between the years of 1989 and 1994. Budget position counts went up 14.2 percent while, Mr. Speaker, the population went up a mere 7 percent.

"Again I would submit that this furlough is symbolic of what is wrong with the big picture. The bill is symbolic of what happens when the administration doesn't give the information for us to act upon or when we, the Legislature, don't demand it.

"This bill would be setting a precedence if it passes. Who is to say that government this year will say, well, one day we'll balance the budget. Next year we may have a two day furlough. And if the economy really crashes, we'll say, well, in 1998 we're going to have three days furlough, and we'll make our budget balance. Pretty soon we'll have a part-time Legislature, or we'll have part-time employees like the Legislature, but without the high-three, of course.

"Finally and in comparison, this bill, in its relationship and in the breaking of the relationship, no one wants to be the bad guy. It's not easy to break up ... breaking up is hard to do. But it's also no fun when you've broken up with because in the end, when you break up, you hurt, but sometimes you have to break up to be a better person. And it is better for everyone if you face the facts and the realities.

"So, Mr. Speaker, although it is well intentioned, the furlough program is not a solution. I commend the very astute, innovative accounting measure by which Mr. Anzai came up with this. It's immediate in its expediency, but it is lame in its long-run and long-range effectiveness.

"Mr. Speaker, I would submit we cannot postpone the inevitable downsizing of big government in Hawaii as long as we keep putting Band-Aid measures as this one in front of us.

"Thank you, Mr. Speaker."

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

"I would like to make only a few points for brevity. However, this is such a poor bill, it's one that I can easily spend ten minutes on. We've had over a year since our financial difficulties have been public and, in my view, we are moving very slowly to solving our problems.

"I think this bill is bad management, bad business. I think it's bad for government services and it's bad for people. It's bad for those who are the recipients of our services, and it's bad for our employees. It is basically an inefficient policy approach. This is an arbitrary, one size fits all, approach. There's no consideration as to what the department or program is doing.

"In our State hospitals, we have a hiring freeze policy. We pay our employees there overtime to get the job done. To arbitrarily cut their work and consider that that is the same thing as cutting in some other departments, say as the Office of State Planning, is not fair or correct or clear to the mission. Jobs are supported by infrastructure, whether they're buildings or supervisors, and all of these which are fixed costs are in place whether the employee shows up to work or not.

"Lastly -- I'm trying to make this brief, perhaps too brief in some cases -- we're talking about this furlough program that may be four million hours of work a year, the amount of work that might be done by two thousand employees. I believe that it would be simpler to use attrition as a method for cutting back on the amount of work. It's a method that does not hurt people. Last summer we tried firing 600 people and only a very small fraction, less than 10 percent of that, actually were out of work. I did not agree with the firing approach in the first place. I think this is the time we could shift to using attrition as a method of cutting back on the amount of work produced as a cost savings measure.

"Mr. Speaker, I am opposed to this bill.

"Thank you."

Representative Tarnas then rose to speak in support of the bill, with reservations, stating:

"I do support the need to come up with additional funds to meet the shortfall. However, I have a couple of concerns about the bill. One of them is that this is an issue that should be dealt with in collective bargaining.

"Secondly, I think that those employees that are on a nine month or ten month contract should not be required to go for a twelve days leave without pay. And though I know there should be some flexibility in the bill to allow for the Department of Education and the University to make sure that it is only nine or ten days, I wanted to make the point on the record that I think it should be equitable across all employees of the state as to their terms of service.

"Thank you very much, Mr. Speaker."

Representative Morihara then rose and asked the Clerk to register an aye with reservations for him, and the Chair "so ordered."

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

"This bill, as has been mentioned earlier, is similar to several of the other bills introduced this session that are little more than Band-Aid approaches to projected budget deficits rather than real solutions aimed at the causes of our budgetary shortfalls. I have been rising throughout the entire morning and afternoon expressing this opinion, and now I think it has come to full force in this measure.

"Section 1 of this bill states that the intent of this bill is 'to curtail or hold to a minimum any harmful economic impact on public employees.' I would like to respectfully remind my colleagues in the House that as public

servants, our primary mission and focus is to serve the public, not the public worker.

"House Bill 3823 is little more than an election year window dressing designed to give the appearance of actually doing something when in fact, in my opinion, this bill does nothing more than polish the existing oversized brass and chrome-plated machine that we call the state government. Mr. Speaker, this is a situation where we need to truly abolish and not simply polish.

"There are going to be those who accuse me of being without compassion for state workers who may lose their jobs without the provisions of this bill. But I believe that this bill merely delays this unfortunate but necessary event. I have compassion, Mr. Speaker, but my compassion is for all workers, not just the current state workers. My compassion extends to those essential and hardworking state workers who will be financially impacted by this very furlough that is being imposed. My compassion is also for the private sector employees who everyday risk being or have already been laid off.

"In the private sector, Mr. Speaker, both nationally and locally, thousands of workers have been laid off because of their companies. When faced with a sagging economy, falling revenues and bloated expenses, made the hard decisions by cutting back, downsizing, and rightsizing to meet the realities and address the causes of their problems.

"I should also note that most of these workers, when given their walking papers, did what all hardworking and self-reliant people do in troubled times in these types of situations. They picked themselves up, they dusted off their resumes, and hit the pavement looking for new jobs. Very few of them had bosses who decided that instead of making necessary cuts, painful as it may be, they would instead burden all of their co-workers, both the necessary employees and the unnecessary employees, both the hardworking and the less than hardworking, the competent and the incompetent. On the contrary, instead of pulling down the entire business and all the workers, they made the hard decisions. They took the appropriate actions and they have survived.

"Mr. Speaker, the other day a state worker told me that if she was deadwood who was not doing her job and serving the public, then she would expect to be fired. Statements like this remind me that most state workers want to be rewarded for doing a job well and understand the risks inherent in any job, especially given the economic hard times that we are facing. What is also apparent is that it makes no sense to penalize everyone simply because we lack the courage to make the tough decisions and cut government spending when necessary. That is exactly what House Bill 3823 proposes to do.

"The merits of any individual bill aside, we must all ask ourselves, if this bill and other bills which deal with symptoms without addressing the causes is the appropriate way to address the serious budgetary challenges that the state faces.

"Mr. Speaker, this is the reason why I will be voting no on this measure. If others were in control of the House, other measures would be taken to rectify our fiscal shortfall or economic hard times. And perhaps at another day, when we are less weary, I will explain what happened in 1973 when we were faced with a much larger budget deficit than what we are currently facing today, and our actions taken in 1973 that actually rectified the problem as opposed to compounding it.

"Thank you, Mr. Speaker."



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

"Today is indeed a day of reckoning for all of us, that the critiques that you hear are solid critiques, but critiques that don't have any substance in terms of proposals for all of us to address. The Finance Committee members of the Minority Caucus recognize the different proposals we are presenting to this body that address a major economic crisis on our hands.

"Mr. Speaker and members of this House, this bill, in its concept, is trying to address a major crisis that we have. Yes, some of our colleagues may say this is a Band-Aid approach, but have they proposed anything to us in trying to address this major economic crisis? And as I see it, Mr. Speaker, this particular measure has a useful tool to discuss this issue much further. It provides us a reasonable, workable and immediate alternative to employee layoffs.

"For the Finance Committee members, last week Thursday we had a very, very interesting discussion, whereby in the general fund revenues of our financial plan of about \$3.2 billion, \$1 billion is already set aside for education. You want to cut education? Take a look at the budget! Another billion dollars of the General Fund A account is set aside for fixed costs -- retirement system, health fund benefits, debt service. Where are the proposals from the Labor Committee to the Finance Committee in addressing these concerns -- the fixed costs? And last but not least, \$1.2 billion for all other departments -- the sixteen other departments -- that the subject committee chairs have presented to the Finance Committee in trying to address the budget. Mr. Speaker, this is just one vehicle out of a dozen or more in trying to address this major shortfall that we have.

"In the budget that is on your desks this afternoon, Mr. Speaker -- I am not going to be talking about the budget -- there are major cuts for this fiscal year of \$135 million and then carried over to the next fiscal year of about \$139 million plus in cuts. Talk about rightsizing, downsizing government -- enough rhetoric! I am compassionate for the state employees because they are all providing a public service to the people of the State of Hawaii -- the school teachers, the administrators, the principals, the cafeteria workers, custodians. The employees with the Department of Human Services -- they're providing services by mailing checks out to the recipients of General Assistance, the AFDC and other programs. The Department of Health ... because we have a federal consent decree, we've got to find resources within that department to pay for the Felix v. Waihee case.

"You know, Mr. Speaker, you call a spade a spade. This is a lot of rhetoric that they're saying this afternoon in regards that this is all a Band-Aid approach. I believe the Minority Leader who is on the Finance Committee and the Representative from the Kahala/Maunalani Heights area recognize the fiscal problems that we have and they know, for the record, that we have been cutting for the past four years, when Ann Kobayashi was the Ways and Means Chairperson, until now.

"Mr. Speaker, state agencies have already made deep cuts in their budgets while trying to maintain a level of service that the public out there will be satisfied. We asked the question one afternoon in Finance -- a \$4.2 million emergency appropriation by the Department of Labor. That was to pay for our laid-off state employees. Doesn't the press recognize that enough is enough at this point because there are, and you're right, a lot of dedicated state employees? And if this measure does not come out of conference, the Finance Committee heard from Director Anzai that two thousand more positions

may be terminated. You call a spade a spade, I'll call a spade a spade. I'm not here to hurt state employees, but to try to preserve their positions in providing public service to the people of the State of Hawaii. \$1.2 billion for 16 other departments, Mr. Speaker, is unheard of. Every department is cut to the bone and to the marrow. And if we had the resources, Mr. Speaker, we would have tried to consider funding the General Assistance program. We would have tried to consider helping the Department of Education in meeting their work load increase. It's very difficult for me this afternoon, Mr. Speaker, to hear all of this political rhetoric. I don't consider political rhetoric because peoples' lives are at stake.

"The furlough idea came up last year -- after May of 1995 -- when the Council on Revenues revised their dollar projections. The administration asked the House and the Senate to come up with proposals in making those cuts. And I think we had made some cuts in different departments and programs, and also the idea of furlough was brought out, Mr. Speaker. I am surprised that the Minority members of the Finance Committee are not in support with the Chair, and maybe having this legislation be enabling legislation, because when the discussion was on the table, we had two different points of view about furlough. Two different points of view -- one from the Attorney General and one from the labor union representative -- that said that the Labor Relations Board is to have an opinion. Why wait for the Labor Relations Board to make their opinion if furlough is viable or not? Because after we're out of session, if we don't have any measures before us to address this \$350 million shortfall, I told the Finance Committee members that they're going to see more layoffs, and the biggest department that is going to take the layoffs, I'm very much afraid of, is the Department of Education because they have one-third of the general fund budget -- the 'A' account.

"You've heard the demonstrations in January when the students came by. You've seen the demonstrations of the University students. You've seen the faces of the General Assistance clientele that's now being cut by half. How much more cuts can we do? All I ask the members is that this is a working vehicle that will be going to the Senate. If there are other areas that you folks would have made comments in regards to more restrictions and cuts, the members of the Finance Committee that represented the subject committee chairs would have notified the Chair in incorporating these cuts. But a lot of members and a lot of colleagues went along with what the administration did.

"Yes, we have the furlough measure here this afternoon, the payroll lag, the transfer of revolving funds, a number of other issues, in trying to balance the shortfall with the least amount of hurt to the general public at large. And that is why I am saying to all of you, this particular measure is one of a dozen that will be going to the Senate in trying to address our budget shortfall, and also to meet the financial plans which is a balanced financial plan.

"Thank you."

Representative Ward then rose and stated:

"I think the reason why the Finance Chair is the Finance Chair is because of the eloquence and the determination that he has and as he has just indicated as he has spoken. I think where we differ is where we take different sets of assumptions. I think his is exactly right as far as assumptions go, and he is doing the best operational things to do with the immediate crises -- cutting budgets and cutting things where they need to be cut.



"But I think when we say these are piecemeal, I think it is missing some of the things that even the Congress of the United States, when they saw there was a crisis in the Congress, they brought in Price Waterhouse, and they did financial and management audits. And, Mr. Speaker, if there's anything that is missing in the logic of everyone who votes on this floor about the budget is ... do we have departments, projects, personnel that we have evaluated and know that we need them? If we brought in one of the big six accounting firms and said, let's do a financial and management audit and we go through those in two months, we would keep that which is good, secure and sincere, in terms of what we need in government, and the others we would push aside. In the present eclectic hodgepodge, Mr. Speaker, we're doing a little here and a little there and, as some of my colleagues have told me, we're just kind of praying that the economy gets better and all this stuff goes away and we'll go back to business as usual. But I think we need to be something more visionary, determined, and measurable, if you will, if we're really going to get control of our government.

"I have personally introduced measures by which Budget and Finance would say quantitatively what these programs, policies and departments are doing. But none of those bills were heard -- all were rejected.

"There are ways to know that the public who has been paying taxes -- we were talking about higher taxes earlier -- that they're getting their moneys' worth. People in Hawaii are very forgiving as long as they know that we are spending their money properly. And if we can show them, Mr. Speaker, if we can show that what we are doing in the long run is successful, is logical, is systematic, I don't think anybody is going to complain about this. But when we do have, as some of these anecdotes indicated, people in government themselves who know that there is deadwood, when we know that we're hitting everybody with this particular bill, and they're taking a hit on their families as we in this Legislature, as even though this morning's paper said that we are excluded and someone from the Senate said we are excluded -- this is all of us. I think it's where people want to know an honest dollar for an honest day's work.

"And, Mr. Speaker, we have not reached that level of refinement. We have not reached measurement of our effectiveness as a government, and I know it's rhetoric to say -- smaller government, lesser taxes -- that is rhetorical. But we've got to get a little bit more scientific rather than just anecdotal, warm and fuzzy. We've got to preserve jobs vs. we've got to preserve a system by which when we are gone, people can pick up and take it over and run with it. And that's what we're talking about a long-run. That's leadership, that's vision, that's saying, let's put this together, and not we thought the Governor was going to do that in a way that we shouldn't be blamed because we assumed the Governor was going to do it. But there isn't the vision and the wherewithal to systematically do that. But somebody's got to take control, and I think we got the right guy at the right time and at the right place in the Finance Committee except, Mr. Speaker, he has the wrong assumptions. I think I'll end right there.

"Thank you."

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

"It's my distinct sadness to find that we do not measure up to the vision and the strict guidelines which the Minority Leader has set forth for us. I would not argue about those proposals or those wonderful rhetoric -- principles that he has uttered. Let me just speak directly on the issue before us -- the furlough program.

"The furlough program simply states that each and every one of us, including us here on this floor, would sacrifice a little so that staff members can continue to have their jobs. The Representative in the Minority says, no, that's a Band-Aid. What you have to do is fire people so the rest of us can live on a full salary. That is unchristian. . .

At this point, Representative Thielen rose and stated:

"Mr. Speaker, I don't believe that those words were uttered by the Minority Leader, and I would ask the speaker to stop personal attacks and speak to the issue -- the merits or demerits of the bill -- and not level personal attacks on other colleagues."

Representative Lee continued, saying:

"That was not a personal attack. It was a conclusion that one, a rational being in this building, can readily draw from the utterances from the Representatives of the Minority Party, and those remarks are not directed only to the Minority Leader.

"Let me again say, to take decisive action and fire people so the rest of us could live on a full salary -- that's fairly unchristian. Indeed, it flies against the tradition of our society which is based on *ohana*. Let me just say that it is not a labor position. They're in the long saga on how to save sugar, the jobs, the companies, and both the owners, the managers and the workers, work together. The workers gave up very specifically, pay, in order that everybody would have a job. Management participated in that. How many of you have seen this wonderful old man who walked the floors of the House and Senate -- Francis Morgan -- the owner of Hamakua Sugar Company?

"How many of you have seen the stewardesses, stewards and the pilots of Hawaiian Airlines and their management? They gave up in order that everyone could continue work. They gave up because it's in the character of the society here.

"To argue that all of us should prosper if only a few would be fired -- isn't that awful? Why can't we -- all of us -- just simply sacrifice one day out of the month? Indeed, we can take some comfort in how other groups have approached their problems. The Mormons are very strong followers of their tradition -- they give 10 percent of their income to the church.

"I support this bill, and I will give two days of pay a month. Anybody want to match me on that?"

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

"The Chair of the Finance Committee threw out a challenge for colleagues who don't sit on the Finance Committee, to give our ideas to the process, and I would like to be able to give mine.

"First of all, \$1 billion goes to education, another billion goes to fixed costs, and \$1.2 billion for all other departments. We can save in the fixed cost by eliminating the high-three. . ."

At 4:14 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 4:15 o'clock p.m., Representative Thielen continued her remarks, saying:

"Continuing in my brief remarks, the second category where we could save money is to furlough legislators,

furlough department heads, furlough deputy directors, furlough people that are in the head of different branches, but not furlough the rank and file, and not furlough our teachers. I think if we use some creative thinking, we can come up with the same dollar figure.

"I recommend people go see the movie **Dave** again, and see how they saved the homeless shelters in that by sitting down, putting heads together, and coming up with creative thinking. And I would recommend that we do that as this goes through the process.

"Thank you, Mr. Speaker."

Representative Halford then rose and stated:

"The Chairman of the Finance Committee appropriately, I believe, said we have a serious financial problem and it needs serious addressing. We are at risk of having two thousand jobs eliminated, or having two thousand people laid off, or however it is constructed. I think that it is important that we consider that. I offer attrition as a method for doing that.

"I want to say that, regarding this bill specifically, that in and of itself and as a policy by itself, it is a bad policy, it is inefficient, it does not allow our whole system to operate well by arbitrarily taking out five percent of the work force from the departments which is not program-oriented. So what I am suggesting here is that we just look at a different approach.

"I am in favor of attrition, and I want to say that no one loses their job, that we are expecting in a one-year period, 2500 people approximately, to leave their employment with the state government for whatever reason, so I offer that as a constructive solution.

"Thank you."

Representative Kawanakoa then rose and stated:

"The Chairman of the Finance Committee suggested that there was a lot of rhetoric and I believe in my floor speech here, I have to admit there is some rhetoric. You know, words like 'oversized' 'brass' and 'chrome plated machines we call state government' -- there's rhetoric. There's other things in here that are rhetoric. And I apologize for making statements that may be construed as rhetoric. However, we are facing an important issue here with regard to state policy, government policy, and what we should do and what we should not do.

"There was also a question about what the Minority has done as far as putting suggestions on the table. I think we've done a lot. What has happened with the Office of State Planning? Did we have it eight years ago? What about all or most of our planners? A one hundred thousand dollar traffic signal costs \$25,000 in planning. What's happening with 50 percent of DBEDT? We might not need all of our DBEDT. What about the prisons, hospitals, airports, harbors, repair and maintenance services? If they are all offered for privatization, that could save five to twenty percent. Other things that came up -- downsizing DCCA by reducing the regulations, then they wouldn't need as many people to cover those regulations. I think we have offered a lot of suggestions that might help to balance our budget and put, I guess our state government, on the proper course for the 21st century.

"I did want to make those statements and I appreciate the time, Mr. Speaker.

"Thank you."

The motion was put by the Chair and carried, and H.B. No. 3823, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT," having been read throughout, passed Third Reading by a vote of 39 ayes to 12 noes, with Representatives Anderson, Halford, Hamakawa, Hiraki, Kawanakoa, Meyer, Saiki, Shon, Takai, Takumi, Thielen and Ward voting no. (Representative Morihara voted aye with reservations.)

**H.B. No. 3964, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3964, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE GOVERNMENT," passed Third Reading by a vote of 51 ayes.

**H.B. No. 4111, HD 1:**

Representative Amaral moved that H.B. No. 4111, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Yonamine rose in support of the bill, stating:

"Before I give additional comments, Mr. Speaker, may I be permitted to insert into the Journal my written testimony in support of the bill?"

The Chair "so ordered."

Representative Yonamine thanked the Chair and continued, saying:

"This is a good bill because everybody is kind of concerned about this bill. From 42D, we are going to 103D. Everyone who was involved in it with vested interest are scared because they have to give up something and then they gain something in the long run. But the fact is, everyone becomes accountable -- from the department heads to the division or branch people -- to do unified and consistent contract administration, evaluation, budgeting and monitoring.

"The private providers then would have to do a better job. They would also be put into a priority ranking and we go back to -- what are essential services the government can provide through private social service agencies? Good question. So, we're talking about compliance and enforcement which was never done under 42D.

"This bill follows very clearly the Auditor's report, and you all have that report. It pinpoints the kinds of concerns we've always had in the past. And this bill implements and puts into action a mechanism by which people are put in the right positions so they can make the decisions as well as the CPO, or the Chief Procurement Officer.

"Working with the private providers, we would be able to really do something with our Purchases of Service so that everybody becomes accountable. The people who receive the benefits of these services will really get what they've asked for and need.

"I think because of all of this, if you look at Part II of your bill, this puts in all of the reforms you want to do and we want to put into place. It will take two years to implement this transition plan. It gives everyone the flexibility to do the job, and it gives us the oversight and monitoring function that we have lost sight of in Chapter 42D. So I would urge all of you people to please support this bill.

"Thank you."

Further remarks by Representative Yonamine are hereby inserted:

"For at least two decades, Mr. Speaker, our state has used private agencies to meet the health and human service needs of its people. Services contracted to private non-profit social agencies include a broad array of social services to individuals within the state, ranging from our youths, the elderly, the disabled, the poor, and those in the education and health fields. During that time, Mr. Speaker, the state has tried to resolve the issues involved in channeling public funds to private organizations for the use and benefit of members of the public because the State Constitution restricts the appropriation of public money for public purposes only.

"The Purchases of Service first began in the 1960s when the Legislature appropriated \$60,000 for contracts to the Department of Health. In 1973 with 45 contracts for \$6.5 million, the programs increased to include residents commencing from the prenatal to the elderly population. By 1991 the Legislature appropriated over \$160 million to meet the existing and new needs for people throughout the state.

"In 1981, Chapter 42 set the standards and procedures for the appropriation of funds to private organizations. Ten years later, Mr. Speaker, the Legislature repealed Chapter 42 and replaced it with Chapter 42D. The intent of the new provisions was to increase efficiency in the POS procurement process and to establish the Executive Coordinating Council and the Advisory Council.

"But a recent legislative audit introduced by myself revealed that there were problems with the contract administration. Mr. Speaker, Chapter 42D does not have a central authority to properly administer the law because it places various responsibilities for the administration of POS under the Office of State Planning and the Department of Budget and Finance.

"Secondly, Mr. Speaker, there is a lack of uniformity of contracts between departments which result in the inconsistent development of policies and procedures. Another problem with Chapter 42D is the absence of a statewide database necessary to determine whether services are adequately provided and if agencies are being treated fairly.

"Finally, Mr. Speaker, the untimely distribution of checks to the service providers has become more and more prevalent within the departments and consequently have forced many of these providers to take out loans at their own expense. In other words, Mr. Speaker, these service providers were paying interest on these loans out of their own pockets.

"Mr. Speaker, we all know how important it is in keeping with our goal of helping those in need, but there is a better way to properly administer the purchases of service so that service providers and clients alike receive the help when and as needed.

"House Bill 4111 will form a more proficient purchase of service system by doing the following:

- (1) An Administrator will be responsible for planning, designing, and implementing a transition plan to facilitate the transfer of the administration of the purchase of service system;
- (2) The Administrator will have jurisdiction over each department head to make sure that there is compliance and enforcement of POS standards;

- (3) The Administrator will insure that the budgeting and evaluation of each department are integrated into the system;
- (4) Each department shall develop a priority ranking system to determine what is the most essential services in times of diminishing sources;
- (5) Multi-year contracts will be made available to social agencies to promote the development of a 4-year program plan that insures the continuity of that particular program;
- (6) House Bill 4111 will also allow for the proper certification and training of POS personnel and contract administrators to more adequately work with providers and the public at large; and
- (7) An advisory council will be established and made up of members from throughout the state who have an interest in health, human services, employment, and education programs.

"Mr. Speaker, getting to our goal has not been easy. I want to recognize the hard work and the dedication of Chairman Say and the members of the Finance Committee who conducted informational briefings throughout this interim and whose major contribution are contained in the bill.

"I want to emphasize, Mr. Speaker, that the purchases of service system works to benefit thousands of our citizens who have health and social needs. Effective POS reform will insure that residents receive the critical services that government cannot provide at comparable costs and quality of programs. House Bill 4111 will make sure that the system works like it should.

"I ask you in the strongest possible terms to cast your vote in favor of this bill, and vote for the interests and welfare of our citizens."

The motion was put by the Chair and carried, and H.B. No. 4111, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PURCHASES OF SERVICE, having been read throughout, passed Third Reading by a vote of 50 ayes to 1 no, with Representative Shon voting no.

The Chair directed the Clerk to note that H.B. Nos. 3389, 3800, 3823, 3964 and 4111 had passed Third Reading at 4:24 o'clock p.m.

#### **H.B. No. 2521, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2521, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC ABUSE PROTECTIVE ORDERS," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3216, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3216, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC VIOLENCE," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3496, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3496, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DRUG DEMAND REDUCTION ASSESSMENTS," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3666, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3666, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NUISANCE ABATEMENT," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3623, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3623, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM COMMERCIAL CODE," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 2521, 3216, 3496, 3666 and 3623 had passed Third Reading at 4:24 o'clock p.m.

**H.B. No. 3148, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3148, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE COMPANIES," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3785, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3785, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3818, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3818, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BANKS," passed Third Reading by a vote of 51 ayes.

**H.B. No. 3393, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3393, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CODE OF FINANCIAL INSTITUTIONS," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3148, 3785, 3818 and 3393 had passed Third Reading at 4:25 o'clock p.m.

**H.B. No. 3641, HD 1:**

Representative Amaral moved that H.B. No. 3641, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"I am always concerned when we pass a bill that applies to a certain segment of a certain island when it's a state law and it affects all islands. I have just not been able to clearly understand or been convinced that this law will grab other associations on the neighbor islands that don't have similar conditions that exist for the community that this bill is designed for.

"And I would hope that as it goes through the process, that serious consideration will be given to a wide variety of community organizations, some established by courts,

some that are voluntary, and what impact this bill would have on those associations.

"Political wisdom always says, when in doubt, vote no. I will not do that; I will just vote aye, with reservations.

"Thank you."

The motion was put by the Chair and carried, and H.B. No. 3641, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PLANNED COMMUNITY ASSOCIATIONS," having been read throughout, passed Third Reading by a vote of 51 ayes.

**H.B. No. 1866, HD 1:**

Representative Amaral moved that H.B. No. 1866, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Takai rose and asked the Clerk to register an aye with reservations for him, and the Chair "so ordered."

Representative Thielen then rose and asked the Clerk to register an aye with reservations for her, and the Chair "so ordered."

The motion was put by the Chair and carried, and H.B. No. 1866, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC AGENCY MEETINGS," having been read throughout, passed Third Reading by a vote of 51 ayes. (Representatives Takai and Thielen voted aye with reservations.)

**H.B. No. 2802:**

Representative Amaral moved that H.B. No. 2802, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Hiraki rose to speak against the bill, stating:

"Mr. Speaker, I recently found out that this bill will preempt the joint and several liability provisions to our state environmental protection super fund law. If this bill passes, this means, Mr. Speaker, if there's say, a major oil spill off Waikiki or Barber's Point, the state no longer has a leverage to require a responsible party to immediately clean up the oil spill. A responsible party can now delay any cleanup by debating the percent of responsibility, or just clean up a portion of the spill instead of developing a more comprehensive cleanup plan. In the meantime, Mr. Speaker, we have lost valuable time to contain the spill, and the spill will spread to our beaches, kill wildlife, and irreparably damage our tourism industry. The state may then be left holding the bag for the exorbitant cost of the rest of the cleanup while it litigates liability.

"Mr. Speaker, joint and several liability is necessary in our state super fund law so that in an environmental disaster, we have a mechanism to immediately begin a cleanup to limit damage and protect human health. In addition, joint and several liability is important to protect the state against having to pay for any cost associated with the cleanup of a disaster not involving the state.

"For these reasons, Mr. Speaker, I am voting against this bill.

"Thank you."

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

"I would like to point out that we should be more attentive of issues like this as it cuts across the board in many areas. If the Environmental Protection Committee were to increase or decrease penalties, that would automatically be referred to the Judiciary Committee, as it should properly be done. But when the Judiciary Committee takes some of the teeth out of the environmental laws, this is not referred to the Environmental Protection Committee.

"I think that when we need to do a kind of double check on these kinds of bills, that while in certain areas people may feel joint and several liability is inappropriate, this issue, an issue of enforcement, the issue of how effective our environmental laws are, the appropriate jurisdiction is the Environmental Protection Committee. We had many hearings this year, Mr. Speaker, looking at the potential increase in fines, other mechanisms for environmental laws to look specifically at ... could we do more with less? Could we do more effective enforcement, given the fact that we would have fewer members of the staff to do that enforcement?

"I have always looked at the tort system as a kind of private sector secondary police force for the consumer, for the environment, for those who would be the subject of injustice in our society. I believe that joint and several liability is intricately interwoven in the philosophy of our environmental laws.

"Now for those of you who don't like the tort system, I would like to hear suggestions for the increase in staff for the Department of Health, DLNR and others. We did explore that last year and that failed. We are left with a skeleton crew and with the tort system. And now, perhaps we are just left with a skeleton crew.

"Thank you."

Representative Thielen then rose to speak in favor of the bill, "with grave reservations," stating:

"Because of the environmental consequences, Mr. Speaker, I think it's going to be essential that we ask the Senate to look at how it relates to the Hawaii Super Fund Law. Otherwise, we could be taking a very serious step that would result in our being responsible -- first in line to clean up any sort of oil spill.

"There are other environmental laws for the joint and several liability which are very important for the tort liability, and joint and several liability is very important. It's like going off with a noble objective but ending up, maybe shooting ourselves in the foot. And I would hope that the Senate would look at it more carefully and we darn well better look at it carefully when it comes back over.

"Thank you."

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

"Mr Speaker, I would just like to point out that we had a full hearing on this issue -- on joint and several liability. Two years ago, we passed an abolition of joint and several for governmental entities. We had a full hearing this year for all private entities and, basically, this bill represents fairness, no matter if you're talking about environment, you're talking about civil, you're talking about torts, you're talking about any kind of injury that's caused by two or more persons or entities against another person.

"All this says is that any wrongdoer, when there is two or more, would just pay his/her or it's share of the degree of liability. Yes, this bill has a far long way to go -- it goes to the Senate, hopefully it will come back. We can discuss issues of this nature, but I would like to again point out that we had full hearings on these issues. Those issues never came up at that time. Pick and choose, pick and choose -- members love to do that.

"I would just like to point out that this bill represents a bill of fairness and no more -- a bill of fairness.

"Thank you."

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

"It was testified on numerous occasions throughout the hearing that this bill actually serves as a catalyst for a civil justice reform to reduce excessive litigation and unreasonable judgment which are paramount to a healthy business climate in Hawaii.

"Testimony of one of the persons, Mr. Tim Moore, says, 'In November, at the Hawaii Congress on Small Business, hundreds of small business owners from across the state, gathered to discuss the role government can play in pointing the way to make Hawaii an easier place to do business.' He goes on to say, 'A discussion of tort reform was among the most lively discussions of our Congress. Business owners and individuals across the state know that civil justice reform is paramount to a healthy business climate.' Delegates were so determined in their support that it is one of the final recommendations of the Hawaii Congress.

"Another thing that was pointed out in this hearing was that this measure addresses the serious problem of persons seeking major settlements from companies with 'deep pockets' when they are deemed to be only minimally at fault. And further, he points out that it shall provide fairness and equity by holding a person liable only for the share of damage resulting from his/her negligence.

"We believe that this is an important second step forward, and we urge the members to please support this measure.

"Thank you."

Representative Yoshinaga then rose to speak in support of the bill, with reservations, stating:

"I do support the Chair for moving this bill out. I do believe we need to debate again a balance in terms of encouraging compromise, in terms of tort remedies, and other kinds of deterrence that are sapping the strength of our business community.

"For that reason, I do support this measure. I do have reservations in where we draw those lines, but I furthered the discussion and support the Chair.

"Thank you."

Representative Thielen, in response to the Majority Floor Leader's comments, stated:

"I agree wholeheartedly with those -- those are business issues. But I do believe that the bill should be amended to exempt the Hawaii Super Fund Law. That would take care of the concern that I think we all must share in a major oil spill, that we want the polluter to get to work and to clean up immediately, and not have the thing fought out in the courts. So I think we can accomplish

both objectives with some amendments that will exempt the Hawaii Super Fund Law.

"Thank you."

Representative M. Oshiro then rose and asked the Clerk to register an aye with reservations for him, and requested that Representative Hiraki's comments be entered into the Journal as his own, and the Chair "so ordered." (By reference only)

The following remarks by Representative Tarnas, against the bill, were received by the Clerk for insertion into the Journal:

"Coming from a district with a strong small business community, tort reform relating to joint and several liability is important to improving the business climate in my district and in the state. However, this bill goes too far and will severely affect the enforcement of environmental cleanup laws of the state. As this bill goes to the Senate, I hope that these state environmental laws be kept out of this reform measure.

"Thank you."

The motion was put by the Chair and carried, and H.B. No. 2802, entitled: "A BILL FOR AN ACT RELATING TO TORTS, having been read throughout, passed Third Reading by a vote of 45 ayes to 6 noes, with Representatives Hamakawa, Hiraki, Kahikina, Saiki, Shon and Tarnas voting no. (Representative M. Oshiro voted aye with reservations.)

#### **H.B. No. 3151, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3151, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3725, HD 1:**

Representative Amaral moved that H.B. No. 3725, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

The following remarks by Representative Yoshinaga, in support of the bill, were submitted to the Clerk for insertion into the Journal:

"Many residents in my district as well as others throughout Hawaii own their own homes -- through condominium property. Owning a condominium means that owners must abide by rules above and beyond those imposed by law -- namely, those requirements imposed by the condominium association. These requirements are intended to benefit the individual owners by insuring the quality, look and upkeep of either the area or condominium building. Increasingly, homeowners have discovered that when disputes arise, for example on maintenance fees, the legal fees that are incurred and that the homeowner becomes responsible to pay vastly outweigh any overdue maintenance fees. Even if the homeowner may not have any problem with complying with particular rules or paying the maintenance fees -- the legal fees can impose such an additional burden that they become further financially overwhelmed.

"House Bill 3725 addresses this problem in two ways:

"First, it requires that the court determine the reasonableness of attorneys' fees. This is designed to control attorneys' fees.

"Secondly, it allows a condominium association board of directors to elect to use a collection agency as opposed to an attorney to collect amounts owed. This provides condominium associations with a lower-cost alternative to attorneys to collect debt. Currently, condominium associations cannot use collection agencies to collect all fees due to them -- as one of the costs they must collect from individual owners -- are the collection fees themselves -- which current law prohibits. At the same time, homeowners are protected from unreasonable fees -- by virtue of the fact that they select the members of the association board. The board members have their own self-interest in mind as well since they themselves, their friends and neighbors would be subject to the same charges should they contract with a collection agency. In addition, a maximum fee of 25 percent of the principal amount collected is placed as a restriction upon amounts the collection agencies may charge."

The motion was put by the Chair and carried, and H.B. No. 3725, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 3641, 1866, 2802, 3151 and 3725 had passed Third Reading at 4:38 o'clock p.m.

#### **H.B. No. 2524, HD 1:**

Representative Amaral moved that H.B. No. 2524, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative McMurdo rose to speak against the bill, stating:

"To paraphrase, I might say rather than to marry in haste, to repent at leisure, that I would say to sign in haste and repent at leisure is where I stand on this bill. It's a Women's Caucus bill, but upon introspect and looking at this very carefully, I fail to see the purpose of this when professional misconduct is already something which the Board of Medical Examiners could use if a physician or anybody else who is licensed get out of line with sexual misconduct.

"The other part that really concerns me is the osteopath part of this -- it sticks out like a sore thumb. Why? Are they supposed to be more promiscuous than other professionals? I just could not understand why we have this stand out like this, so I'm going down.

"Thank you."

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

"This bill, Mr. Speaker, relates to licensing, the purpose of which is to add sexual misconduct as a grounds for disciplinary action against physicians and osteopaths. The part of the difficulty of writing a bill is that one must have to deal with the title as is provided by the law and, unfortunately, the title of this law is physicians and osteopaths which is why the bill is written this way.

"The intention of the Women's Caucus was to deal explicitly with the problem of sexual misconduct because, quite frankly, the only professional entity that did not explicitly deal with this violation was that of the physicians and osteopaths. And so, seeing that great gaping discrepancy and knowing how much trust one places in one's physician, we thought that it was important to deal with this oversight in this measure.



"The Judiciary Committee has narrowed the focus, and quite properly, to the conviction of sexual assault so that it better defines the type of sexual misconduct involved here, that removes any grey area or any area in doubt, and we appreciate the thinking of the Judiciary Committee in helping us better prepare this measure as it continues to move forward.

"With those comments, I urge the members to support this.

"Thank you."

The motion was put by the Chair and carried, and H.B. No. 2524, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LICENSING," having been read throughout, passed Third Reading by a vote of 50 ayes to 1 no, with Representative McMurdo voting no.

#### **H.B. No. 3637, HD 1:**

Representative Amaral moved that H.B. No. 3637, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"You know, Mr. Speaker, I counted the pages last night -- this bill is 397 pages long. And I think when bills are so long, sometimes they're perceived as confusing, complicated, and just too much to read. Well, let me just say that I think this bill is probably one of the most monumental bills that we're going to pass out this year because it is going to allow you and I, and everyone else in this whole wide world who live in Hawaii, at least, to die comfortably, knowing that your estate will be distributed quickly with very little pressure and correctly and not have to go through any long process.

"I would like to thank two attorneys who have helped very much in conforming this bill to comply with the current Uniform Probate Code and that's Carroll Taylor and Randall Roth. Because that's what this bill is all about -- it's a bill to make a law that, if passed, will make the probate system in Hawaii simplistic and very uncomplicated. What it will do is create what is called an informal probate, and I think to appreciate what an informal probate is, you've got to know what a formal probate is.

"First of all, when you die, you may have only a house to distribute. Everyone's in agreement, but it could still take up to eighteen months to do. You have to go to court, you have to file numerous documents such as notices, inventories, publications in the newspaper, final accounts, and the list goes on and on.

"Now, the personal representative, if a relative, can go right to the clerk of the court. If he's not a relative, adequate notice can be sent to bring the Will there; they just probate the Will right there. Everything is distributed fast, quickly and efficiently, and unless there is any complaints by any beneficiaries, then it will go smoothly, and it will not have to go to court.

"This is monumental. This would take away a lot of the emotional and physical pressures that confront families who have a loved one that dies. It's a tough thing to go through. This bill is monumental; this bill is simplistic; this bill is something we need very much in Hawaii.

"I think that again I would like to tell you that it's 397 pages, but it surely would make our probate laws a very, very successful and simplistic form to deal with.

"Thank you."

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

"I think the reform in probate is long overdue, and I commend the Chairman of Judiciary for his role in the reform.

"I would much prefer an Anglo-Saxon solution as has happened in the United Kingdom. It could have been one page ... all we have to do is exempt all estates under one million dollars, and if there were no dispute, then it would be kicked on very quickly.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and H.B. No. 3637, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNIFORM PROBATE CODE," having been read throughout, passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3403, HD 1:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3403, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3391, HD 1:**

Representative Amaral moved that H.B. No. 3391, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"Mr. Speaker, House Bill 3391, House Draft 1, is our no-fault reform measure. As you know, and as my colleagues are aware, automobile insurance reform is long overdue. I recognize that the enactment of legislation to make automobile insurance more affordable is a top priority for this legislative body, because on top of other cost of living concerns, Hawaii's consumers are still burdened by high premiums.

"The passage of House Bill 3391, House Draft 1, into law will implement bold and far-reaching insurance reforms by repealing Hawaii's current no-fault system that everyone would recognize has been a dismal failure, and replacing it with a more cost effective, more rational, and humane system.

"Although the administration bill is being utilized as the vehicle for no-fault reform under this measure, I would like to point out that many of the provisions of House Bill 3391, House Draft 1, are drawn from other bills introduced by several of my distinguished colleagues, including Speaker Souki and Representatives Nakasone, Tarnas and Tom, and are blended to create a comprehensive package that addresses and attacks the major cost drivers within the system without sacrificing fundamental consumer rights.

"Given the public's overriding concern about the high cost of automobile insurance, I believe that any bill that we pass out must guarantee meaningful and immediate premium reductions. Accordingly, a key provision of this bill provides that 'commencing on October 1, 1996, all

authorized insurers transacting motor vehicle insurance in this State shall implement a twenty-five to thirty-five percent rate reduction from the rates on file with the commissioner for all motor vehicle insurance policies in effect on September 30, 1996.'

"Now, there are several points I think we need to make about this rollback provision. First of all, the rollback figures of 'twenty-five to thirty-five percent' are realistic and attainable in that they are based on an actuarial analyses that was conducted by the Insurance Commissioner's Office in careful and close consultation with insurance actuaries. Secondly, although the Insurance Commissioner has indicated that he could actuarially justify an immediate rate rollback of around twenty-nine percent, as I will explain later, the long-term savings that this bill will generate could result in as much as a thirty-five percent rate reduction which is why this bill provides the Insurance Commissioner with the discretion and the authority to roll back rates by as much as thirty-five percent.

"Now I recognize that there are those who are already criticizing this bill based on the contention that while this bill may produce immediate savings for the consumers, the cost of automobile insurance will become more expensive in the long run. I respectfully beg to differ. In response, I believe that these critics do not understand that House Bill 3391, House Draft 1, would not, and I repeat -- would not -- replace the current no-fault system with a tort system that will have no cost controls. Mr. Speaker, the fact of the matter is that House Bill 3391, House Draft 1, contains numerous provisions and safeguards that will not only produce substantial cost savings in the short term, but which will bring down costs within the system in the long run. Some of the key cost savers in this bill include: The elimination of the medical-rehabilitative threshold, which although intended to reduce expenses, has actually increased insurance costs; the capping of bodily injury liability limits at \$50,000 per accident which will result in tremendous cost savings within the system, because under current law, bodily injury liability limits are currently set at \$25,000 per person without any maximum limitation for each accident.

"The bill also provides for the establishment of a \$5,000 offset or deductible from tort settlements or arbitration and court awards. I believe that this provision will discourage frivolous lawsuits. But most importantly, the reduction of bodily injury or tort claims payouts by \$5,000 per claim will result in substantial cost savings that will eventually reduce premiums.

"The bill also provides for making the mandatory personal injury protection, or P.I.P., which provide primarily medical and wage loss coverage to be optional in order to allow consumers to avoid duplication and unnecessary expense where prepaid health insurance coverage is available. In addition, the expensive and cumbersome peer review organization system of administering no-fault benefits has been repealed under this measure.

"The bill also enacts tough insurance fraud provisions to reduce fraud and abuse in the system. This provision is important, Mr. Speaker, because at present Hawaii does not have a specific insurance fraud law on the books.

"The bill would also implement preferred repair provider programs, use of after market replacement parts and strengthens laws relating to automobile theft and use of stolen parts. Mr. Speaker, these provisions address the concern that costs to repair damaged motor vehicles often account for almost half -- half -- of the insurance premium.

"Now, in addition to these provisions that I have already discussed, what should be pointed out is the fact that this bill adopts a very sensitive and humane approach to the plight of those individuals in our state who are forced to drive uninsured because of their financial inability to afford insurance. Apart from these provisions in this bill relating to uninsured motorists, ultimately, I believe that the most effective method for getting uninsured motorists to purchase automobile insurance is to make such insurance more affordable. House Bill 3391, House Draft 1, I believe, will accomplish that important goal.

"Lastly, let me address the concerns raised about this bill regarding the potential cost shifting of medical costs resulting from automobile accidents from the current no-fault system to the pre-paid health system. First of all, I would like to emphasize that as a legislator who has been sensitive to the needs of our business community, I would like to assure my colleagues that I will be exerting my best effort to try to find ways to mitigate the impact of any medical cost shifting from the no-fault system to the pre-paid health system under any no-fault reform bill that the Legislature adopts.

"However, what I think also needs to be pointed out is the fact that House Bill 3391, House Draft 1, already contains provisions that will mitigate the impact of the cost shift on employers under the pre-paid health system, and it will do so in several respects. First of all, as mentioned earlier, this bill eliminates the medical rehabilitative or tort threshold which has served to substantially increase medical costs within the no-fault system. With the elimination of this threshold, the average payout for medical claims per automobile accident will be substantially less under the pre-paid health system than under the current no-fault system. Moreover, this bill will allow auto accident medical costs to be covered under the coverage guidelines of private health insurers which means that injured motorists will no longer have unlimited access to alternative medical providers as is currently the case under the existing no-fault system.

"In addition, this bill contains a provision that would allow employers to purchase group insurance plans from current no-fault insurance companies to enable employers to obtain volume group discounts on the purchase of auto accident medical plans for their employees. I believe that this could result in a healthy competitive market situation in which private health insurers and automobile insurers will be able to compete for the automobile medical insurance market which could, in the long term, make such insurance very affordable for both employers and employees. Based on the provisions of this bill that I have just explained, I believe that the enactment of this measure will not result in a 'dollar for dollar' shifting of the enormous medical costs that exist under the no-fault system over into the pre-paid health system.

"As we evaluate the issue of cost-shifting, we also need to keep in mind that a substantial percentage of uninsured motorists -- perhaps as much as thirty percent of Hawaii's drivers -- already have their medical expenses covered under our pre-paid health insurance system. Furthermore, the enactment of House Bill 3391, House Draft 1, into law will make automobile insurance more affordable for employers who have to obtain insurance for company vehicles, while reducing automobile insurance premiums for consumers who will therefore have more disposable income to spend on the economy. Notwithstanding the merits of this bill, however, I would like to emphasize and assure my colleagues once again that the issue of cost shifting will be addressed further as this bill moves through the process.

"Mr. Speaker, I believe that House Bill 3391, House Draft 1, will provide Hawaii's consumers with badly needed relief from high automobile insurance premiums that they need while preserving important consumer rights.

"In closing, I would like to thank Chairs Tom and Say and also the members of the CPC, Judiciary, and Finance Committees for all of their hard work that you have put in on this important issue. There's much more work to be done on the issue. In that respect, I would respectfully request that my colleagues vote in favor of House Bill 3391, House Draft 1.

"Thank you."

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

"I think the repeal of no-fault is the 'best thing since sliced bread.' I have about thirty points to substantiate my rationale for the support of the repeal of no-fault; however, if the Chair will allow having that inserted into the Journal?"

The Chair "so ordered."

Representative Kawanakoa thanked the Chair and continued, saying:

"I would just like to note and thank the Chair of the Consumer Protection and Commerce Committee for his courageous and bold act to truly bring forth this repeal of a faulty system; and second, I believe in the Chair's earnest pledge here to work towards alleviating or mitigating the cost-shifting effect to our businesses and the community. Lastly, I would just like to note that we have seen what's happened with the pure no-fault bill last year.

"I would encourage all of the members to try a new perspective and work towards a pure tort bill which we basically have before us.

"Thank you."

Representative Kawanakoa's remarks are hereby inserted:

"No-fault has been a dismal failure since its inception in the mid 1970s.

"Hawaii's auto insurance premiums currently rank among the highest in the nation behind New Jersey which leads the nation.

"No-fault is inherently more expensive because it forces responsible drivers to pay for damage and injuries created by careless drivers.

"As Professor Richard Miller testified, the auto insurance law should encourage accountability. Accountability, in turn, encourages safety practices, including safe driving and regular maintenance of vehicles.

"If you hit someone, you should pay for the damage. If you are injured by a negligent driver, the negligent driver should pay for your damages. Under no-fault, good drivers pay for bad.

"A study of Hawaii auto insurance premiums confirmed that premiums in Hawaii have increased by 61 percent since 1989 (Per testimony from Janice Kim, Consumer Lawyers of Hawaii).

"By contrast, states with tort liability systems saw an average 21.8 percent increase over the same period. (Consumer Lawyers of Hawaii)

"According to A.M. Best, March 1990 Ranking of State's Average Auto Insurance Premiums, of the 10 states with highest premiums, eight have no-fault systems.

"The states with the greatest increases in premiums between 1989 and 1992 were states that have some form of no-fault, either mandatory or optional: Hawaii (60.9% increase). Texas (43.5%), Michigan (42.5%), Massachusetts (41.2%), Kentucky (40.2%), and Delaware (39.7%).

"Contrary to popular belief, no-fault increases litigation, according to a study by Dr. Norman Risjord, 'Does No-Fault Reduce Litigation?'

"In Hawaii, since the inception of the peer review process in June 1, 1993, the Insurance Division has processed over 6,000 no-fault challenges to date. The monthly challenges average over 300 per month, according to the Insurance Commissioner. Our system simply has not worked.

"House Bill 3391, House Draft 1, is a bold step to restoring sanity to our auto insurance.

"Some key features:

- \* Mandates a rate reduction of 25 to 35 percent.
- \* Places an aggregate limit of \$50,000 per accident.
- \* Provides consumer choice by providing as options, PIP benefits, chiropractic and other alternative methods of treatment, co-payment, HMO or preferred provider coverage, medical payment coverage up to \$5,000, and wage loss benefits.
- \* Eliminates the incentive to overtreat or build up medical expenses by repealing the medical-rehabilitative or monetary threshold.
- \* Adds several new sections to the auto insurance law that should reduce the cost to repair property damage, provide penalties and restitution for fraud or deceptive trade practices, regulate attorneys in the practice of personal injury law, authorize group auto insurance plans, provide binding arbitration, and eliminate the peer review system.

"I am concerned that this bill shifts, by default, the cost of medical treatment to pre-paid health plans and increases costs to businesses. I hope that as this bill continues through the Legislature, we address this concern and find a reasonable solution.

"However, this measure is projected to reduce premiums by at least 28.31 percent according to the Insurance Commissioner.

"I applaud this bill as the first giant step toward reducing premiums and restoring sanity to our auto insurance system."

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

"Mr. Speaker and members of this House, with all due respects to Chair Menor and with sincere appreciation to him for his hard work on this measure, I regrettably find it necessary to speak against this bill because the alleged cost savings will not materialize, and we will again fail to bring relief, in terms of lower auto insurance premiums,

which the people of Hawaii so desperately need and look to us to provide.

"The title of an editorial in last night's **Star Bulletin** described it well. It read, 'Auto insurance bill would be a disaster'". The editorial shares my previously expressed beliefs that this bill will benefit trial lawyers and not consumers by opening wide, the flood gates of litigation. Contrary to claims, this would not reduce and in all likelihood add substantially to the cost of insurance. Shifting of medical costs to pre-paid health insurance only means that employers, particularly small businesses now struggling for survival in our economic doldrums, will be faced with an increasing burden -- and without doubt, could be the final straw to cause some of these small businesses to close their doors.

"It is conservatively estimated that this measure could cause pre-paid health care costs to increase by about five to six percent, which means that big businesses will also be impacted. Hawaii's largest employer, our state government, already in an unparalleled fiscal crisis, may experience an additional \$15- to \$17 million shortfall. Where will these funds come from? What other programs will we cut, and how many more state employees must we release to accommodate this unnecessary cost?

"To be fair, there are some aspects to this bill which will produce beneficial results and are worthy of mention, such as the preferred auto repair provider, the original equipment manufacturer's goods and parts of like kind and quality; also the anti-fraud, unfair or deceptive acts provisions and penalties.

"However, the primary cost driver of our high auto insurance premiums will be totally unharnessed.

"I will be the first to agree that our current system has been a failure. But as in so many other states, our system, labeled as no-fault, has indeed generated cost increases. Our system, as in other states, is a hybrid of no-fault and tort. The real culprit is the tort element as initial medical costs are padded so that claimants may enter the promised land of litigation -- of lawyers' fees, court costs, settlements and lucrative awards.

"Our system has failed because it is all too easy for claimants to reach the 90 percent medical rehabilitative threshold and enter into the fertile land of tort. As has been explained by the Chairman of CPC, the elimination of tort is thought to reduce medical costs, but I would submit that under the tort system, it will just provide added incentives to build up the costs to justify lucrative settlements and awards.

"Regrettably, just as it is across the country, there are all too many Hawaii claimants, lawyers, medical providers, and auto repairers who are not entirely honest, and in abusing our system has caused all of us to suffer. Unfortunately, we cannot legislate honesty.

"Mr. Speaker and members, no-fault, also proclaimed as a failure throughout the country, has been given a very bad rap. Other states, such as Connecticut, Georgia and Nevada have been described as classic examples of auto insurance failures and praised for the repeal of their no-fault systems and adoption of tort. In reality, with threshold tort entries of \$400, \$500 and \$750 respectively in those states, they were in fact operating under the tort system pretty much as we are.

"Mr. Speaker and fellow members, the solution is not to open the very costly doors of litigation. The solution is to contain costs. The solution is to establish a verbal threshold and/or to raise the no-fault tort entry amount to a level high enough to stop claims padding, to stop

needless litigation and to stop shifting additional costs to overburdened employers.

"Thank you very much."

Representative Marumoto then rose to express some reservations on this measure, stating:

"Like previous speakers, I am very wary of the cost-shifting effects of this bill. I feel that this is just the wrong time to hit our business community with an extra six percent increase in health care costs as the premiums may go up even higher than six percent. But at this time, the economy is quite weak and may not be able to withstand this extra hit.

"According to the Insurance Commissioner's own statistics he provided to us, the savings from this no-fault bill will amount to a little over 28 percent of which 27 percent of the savings is realized by the cost-shifting in health care costs. In addition, as the Representative from Kauai mentioned, the cost in-state may be another, I heard \$17 million, because of our cost of covering our employees. I am not sure whether this even includes the 'class' clientele which may be an extra cost to us.

"So because of this and many other reasons -- the health costs, the medical costs -- I have reservations on this measure, Mr. Speaker, but I will be voting for it.

"Thank you."

Representative Meyer then rose to speak in support of the bill, with reservations, stating:

"Like the Representative from Kauai, I am concerned about the cost of the tort problems. When we first heard this bill, there was a provision in it for a \$20,000 deductible towards tort claims, and that seemed very wise to me. You would have to have a very good claim to get past that \$20,000. But after the bill was amended, that was dropped to \$5,000, and unless we have savings of at least 25 percent to 35 percent and unless 90 percent of the people have that much savings, even the \$5,000 deductible will be dropped.

"So like the Representative from Kauai, I am concerned about people involved in auto accidents driving up their medical costs to help their tort case. I fear about that and I hope that perhaps when this bill goes over to the Senate, that \$20,000 deductible could be reinserted. I do think it is important that we in the House pass an auto insurance reform vehicle over to the Senate, and I know that the Chairman of the Consumer Protection Committee worked very hard to try to put everything necessary into the bill and there are many very features in there but it is that that provision where we cut that deductible which concerns me the most.

"Thank you, Mr. Speaker."

Representative Morihara then rose to speak in support of the bill, with reservations, stating:

"I certainly congratulate the Chair for his hard work. It's a measure I feel should go on, but I want to point out my experience as an employer. As an employer of over twenty people with two vehicles, I am very concerned with that kind of cost-shifting also."

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

"Over half of the Representatives were present at the hearing -- we had the combined Consumer Protection Committee, Judiciary and Finance Committees. I think

all of us heard the former legislator, Stanley Roehrig, who came in from the Big Island, an island of course that is the hardest hit with the no-fault insurance problem. He was present and I guess was one of the drafters of the original no-fault bill. He said unequivocally -- 'no fault didn't work, no-fault doesn't work, get rid of it.' And I think this is a very prudent step to take today.

"I hope that the Chair of the Consumer Protection Committee on the Senate side will be receptive and not play politics, and look at this on its merits.

"Thank you."

Representative White then rose to speak in support of the bill, with reservations, stating:

"As an employer with two vehicles and 300 employees, the balance of the cost-shifting is quite ominous for us, as stated by Representative Kanoho and Representative Marumoto. The cost to the state as an employer is substantial as well.

"I don't rise to speak to the merits or demerits of no-fault or pure tort, but philosophically, I lean in the direction of pure no-fault and somewhat harnessing the activities of lawyers with respect to the auto insurance claims.

"But just to add a little bit more clarity to the cost-shifting. When we look at the amount of cost savings that are actuarially justified by the Insurance Commissioner, we're looking at a bill that will save us .04 percent actuarially as long as we were not to shift the cost to the employers. By shifting the cost, the employers will save about 28.3 percent. With the number of 35 percent that the Chairman mentioned, that means without cost-shifting to the employers, we are saving about 7 percent. It's unfair to do that to employers at this particular time. I'm not sure it's fair to do that to employers at any time. When we are placing the burden of this nature on employers without the ability to pass on the cost to the employees who individually will probably be saving somewhere in the neighborhood of \$200 per year, that's unfair.

"I hope that the Chairman's review of this measure as it goes through the process will include the review of how we can pass this on in such a way that the employers can be assured that they're not picking up additional costs. I hope that we can look at a method by which we can make optional payments or optional premiums available through the HMSA and Kaiser plans and other health plans so they can be purchased either from their auto insurance companies or through the company's pre-paid health provider.

"Anyway, with respect to the costs being borne by employers, I think we've got to take a very, very serious look at how we can avoid passing any cost on, and I appreciate the Chairman's pledge to do so.

"Thank you."

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

"First of all, I am very proud to be one of the chairs that worked on this matter with Chair Menor. He has done an excellent job in this. I think everyone is of the realization that, you know, our system is not working. We've got to change it. We've got to change the system we have now because we have the highest premiums in the country, and that's not right. I say this, that I think one of the things that we really looked at in the bill was to really price it out. I think that the actuarial is the

price savings from 28 to 35 percent. It was something that we really took account to, so there was no attempt to try to undo the system with a system that's worse.

"One of the other speakers brought up the fact that maybe we ought to look at our current system, raise the threshold even more. I respectfully submit that I think that if we're going to do something, that would not be the correct thing to do because that's the very reason why we are in this mess that we are now in. We keep raising the threshold and we'll keep having abuses to the system.

"In terms of consumers, in terms of victims, in terms of businesses, I think one thing we all got to realize is that we're all in it together. We're all paying those premiums. I'm paying those premiums, you're paying those premiums, our families, friends and neighbors are paying high auto premiums. We're businesses too -- businesses, consumers, victims, insurance companies -- everyone's made up of people. People all are hurting, no matter what profession we're in. We're in it together and I think that Chairman Menor has committed several times to say, we will look at that issue. This bill is still young; there's a lot more to go.

"I would just like to say that I think we're hitting in the right direction. Hopefully, we will achieve what we're trying to do which is to reduce premiums substantially for the people of the State.

"Thank you."

Representative Swain then rose to speak in support of the bill, with reservations, stating:

"You've heard from most of the employers in the room already, and I stand with them as a small business owner myself.

"I appreciate many aspects of the bill, and I appreciate the work the Chairman has done. I am glad it covered those threshold; I am glad he got rid of the peer review process. The problem is, as has been mentioned and he has also said that he will address this as it goes through the process, but what has not been looked at here is, I might have to now review one of my employee's driving records before I can hire him to be a crew member on my boat. He's not going to drive a car working for me, but I'm going to have to look at his driving record, because if he has a poor driving record, what will that do to my insurance cost? My pre-paid health care cost? What will happen if there's an accident by one of my employees -- what will happen to my pre-paid health care cost?

"At what point will it become an obstacle to me to hire people because I can no longer afford to pay that health care. That is a major gap in this bill right now. It has to be addressed, and my feeling is that none of this can be shifted to the employer. Something has to be worked out -- a rider maybe with the pre-paid health care companies to provide for this -- but we cannot afford it. And we will be placed in a position where we might not be able to hire people that otherwise would be very qualified, but their driving records preclude them from working for us. So I look forward to seeing how this proceeds.

"Thank you."

Representative Menor, in response, stated:

"First of all, let me just say that I do not think that the Senate could have done a better job of expressing reservations about this bill than those who've expressed reservations on this floor have done this this afternoon, so that's something I just wanted to note.

"But in response to some of the reservations that have been expressed, first of all, on the issue of cost-shifting, previous remarks have been made that the cost-shift could be in the range of five to six percent for a pre-paid health member. I just want to point out that I think that figure really needs to be carefully scrutinized. That percentage which the Insurance Commissioner referred to was based on a study that had been done by HMSA last year in which they tried to project what the cost increase would be with respect to pre-paid health if the administration's bill that was introduced last session were enacted into law. However, in conducting that study, I don't believe that HMSA took into account two very relevant factors which may in fact decrease the cost shift.

"First of all, in the HMSA study, I don't think it took into account the impact of the elimination of the medical-rehabilitative threshold. Secondly, I don't think that the HMSA study also took into account the fact that under pre-paid health, that there are going to be limitations on an injured motorist's access to alternative medical providers which, under the current system, is unlimited. That should result in some additional cost savings so while there may be a cost shift, I think it's going to be important for us to quantify what percent shift that's going to be.

"I want to assure the members of this body that I have already been in consultation with HMSA and some of the other private health insurance carriers to ask them to come up with updated projections. I think that when you look at these percentages that we can look at that in the context of the savings that this bill could generate and the impact, a positive impact, those savings could have on the economy and on businesses in general.

"As far as how we adopted the \$5,000 threshold, let me point out that the primary criterion that I followed in trying to put together a draft is for us to enact the bill that will bring about meaningful and immediate rate reduction. As far as how we define meaningful, I assume that we are talking about a range of say, between 25 to 35 percent in immediate premium reductions. Based on that, the Insurance Commissioner actuarially priced this bill and indicated what various thresholds would produce in terms of savings. When we went to the \$5,000 figure, it was indicated that a 25 to 35 percent premium reduction was definitely achievable under this bill when taken in the context of other cost saving provisions that are also contained in this particular measure.

"So I strongly recommend that we move this bill out because of the fact that I felt that on the one hand, it could significantly reduce premiums for consumers, and on the other hand, not unduly sacrifice important consumer rights.

"For all of those reasons, I just want to clarify that this bill is worthy of our support at this time.

"Thank you."

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

"I would add one additional note of optimism and benefit of this bill.

"Why I think we're heading in the right direction is, as most of you know, we have three medical systems right now. We have pre-paid, we have workers' compensation, and no-fault. If this works and we get over the threshold of what otherwise is going to be an employer-based thing and then we get into workers' compensation which is clearly employer-based, I think we would have holistically

resolved a real dilemma for the small businesses of Hawaii.

"In the interim, I would hope that the Chair would consider something like a health care tax credit for the employers so if they do get hit with something, they can take it immediately back out with their own income taxes.

"But the fact is, people who get injured, not all of them but some, are milking the system. We've still got bumper stickers that say, 'HIT ME, I NEED THE MONEY'. We still got people who go to the soft tissue and milk the system if, in effect, we got 24-hour health care for pre-paid workers' compensation and no-fault.

"The purpose to go to the doctor is to get well and get back on the job. That's what this stuff is for in the first place. But the people of Hawaii are smart and they play games. I think we're refining it and in the long run, hopefully, we can integrate all of this together.

"Thank you, Mr. Speaker."

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

"First, I would like to associate myself with the expressions made by the Minority Leader. I think he has said all the real issue that is before us, that is the reform that ought to lead to holistic and a very encompassing health care system.

"I also associate myself with the others who have expressed concern in opposition to the employers assuming the burden of the cost on the pre-paid health system. I have made these comments in private and I would like to make them in public as well. We must find another way to have others, rather than the employers, pay for the health care aspects of this bill.

"There is another element that we ought to be very cautious about. The present pre-paid health system is based on a very narrowly defined waiver from Congress, and we ought not to do anything that would jeopardize that waiver because it is the basis of a very comprehensive health system that we can now build on in this bill as well as in workmen's compensation.

"For these reasons, although I am not wholly satisfied, I think the Chairman of the CPC Committee has done a marvelous job. He has worked very hard. He has listened to all viewpoints, especially to mine, and I would commend him and encourage him to stand fast as the days come by in the next two months.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and H.B. No. 3391, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES," having been read throughout, passed Third Reading by a vote of 50 ayes to 1 no, with Representative Kanoho voting no.

The Chair directed the Clerk to note that H.B. Nos. 2524, 3637, 3403 and 3391 had passed Third Reading at 5:21 o'clock p.m.

#### **H.B. No. 2889:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 2889, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," passed Third Reading by a vote of 51 ayes.

#### **H.B. No. 3793, HD 1:**



On motion by Representative Amaral, seconded by Representative Thielen and carried, H.B. No. 3793, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENDANGERED SPECIES," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. Nos. 2889 and 3793 had passed Third Reading at 5:22 o'clock p.m.

At 5:23 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 6:45 o'clock p.m., the Speaker resumed the rostrum.

**H.B. No. 2366, HD 1:**

Representative Amaral moved that H.B. No. 2366, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Case rose to speak against the bill, stating:

Mr. Speaker, I have no illusions about whether this bill is or isn't supported by a majority of my constituents. I believe that a majority support this amendment, not a sizeable majority, not anything like what's been reported in the papers, but nonetheless a majority.

"Therefore, as I stand here saying that I oppose this, I'm obviously thinking to myself, well, what's going to happen to me when I go back into my district? But therein lie the dilemma of this bill, because the fact of the matter is, we are dealing today with a minority -- a minority of perhaps two percent, a minority that wishes to have some of the benefits available to the rest of us -- nonetheless a minority. A minority that, for various reasons -- some of them religious, some of them simply the culture that we've grown up in -- does not enjoy the support of the majority in various forms. And so the question is: How do we protect such minorities?

"Now, the legislative process is a difficult one in which to address such questions because the legislative process basically encourage us to effect the will of the majority of our constituents. Nevertheless, from time to time in our service here, we are called upon to lead in going against the majority. Usually what leading means is we're out in front of them and we hope that they'll catch up over time. But sometimes leading means just protecting a minority against the will of the majority, and that's why one of the observers of our American culture talked about the tyranny of the majority.

"Now, this particular issue is obviously a difficult one. Perhaps it is not comparable to some of the other majority situations which we have had in the past. Nonetheless, I think it is instructive to look back over time, over history -- sometimes hundreds of years -- and look at what minorities, over the course of history, have needed protection, have needed it -- some haven't gotten it and some have gotten it.

"Let's talk about religion; let's talk about the Protestants and the Catholics in Europe. In France, the Catholics persecuted the Protestants. In England, the Protestants persecuted the Catholics. Neither of them had the protection of a constitution; all they had was a monarchy and the majority persecuted the minority. It wasn't just not being able to get married, it was as bad as getting killed, it was as bad as getting thrown out. They didn't have that protection. Should they have had it? Yes, they should have been able to practice their religion.

"The same was true in our country with the founding of the Mormon religion in New York. That religion was persecuted; that religion sought the protection of our Constitution and got it on occasion. They were subject to the will of the majority. And there are other instances -- obviously racial minorities, sexual minorities, women -- all of them at one time or another have sought the protection of the Constitution against the majority. And in our country, for the most part, they have received it.

"And so the question is, and I asked this question on Friday: If you agree with what was in the committee report on this bill about the way our government is put together, where we have a Constitution which sits above everything, and one of the objects of the Constitution is to protect minorities against the majority, against us, how are you going to do it if every time a minority wants to enjoy certain benefits available to others, the majority comes along and changes the Constitution? I don't think this bill is the right time or way to do this.

"I am hopeful that in my lifetime, I'll look back on this bill as an example of; for example, *Brown v. the Board of Education*, in which the doctrine of separate but equal among races in education was thrown out. It wasn't thrown out by a legislature, it was thrown out by the U.S. Supreme Court. Do you think the U.S. Congress was ready to pass a law that says separate but equal was wrong? No way! The majority wouldn't let them. The Supreme Court had to do that, relying on the U.S. Constitution. As we sit here 42 years later, we say to ourselves -- is separate but equal good? We say, no way! How could we have been so stupid to let separate but equal go for so long? And so I am hopeful, if this amendment proceeds, that there will in fact come a time, in my lifetime, when I can look back and say the same thing, that there was a myopia afield today which prevented us from seeing that this minority should enjoy protection.

"So I am hopeful that this constitutional amendment does not succeed. Obviously, there is tremendous pressure on each of us that it succeed, and I think there is room for discussion as we go forward. I don't think we have to be polarized as we sit here today. We've got a ways to go. We have something coming over from the Senate and there are many questions remaining. But I hope that as we address those questions, that we keep in mind some of the principles that I have talked about today. And I hope you ask yourselves: How is this or any other minority going to be protected? Because each one of us, in our lifetime, is going to be a minority and we are going to need protection from the majority. Each one of us in our practices in life, whether because of our race, sex or sexual preference, our origins, or some other aspect of ourselves we're going to need that protection, and I hope we all remember what we are doing today when we seek it.

"In this connection, Mr. Speaker, I do have one question which I would like to direct to the Chair of the Judiciary Committee. As I read the amendment before us, the amendment deals with 'marriage'. The issue has arisen as to whether that word refers to civil marriage; in other words, a license which is provided by the government to a man and a woman currently. As we all know, there is another definition of marriage, not a legal definition but certainly something people call marriage, and that is a ceremony that is recognized in certain religions. We have a difference of opinion among our religions. This is not a slam dunk in terms of the religious community. We have some very able religions which would take a very strong stand against same-sex marriage ceremonies within their religion, and we have some very able and historic religions which recognize this

ceremony. So my question is, does this amendment affect only civil statutory marriage, Mr. Chair? Or does this amendment allow or open the doors to a member of a religion who wants to be 'married' in that religion? Does it open the doors to that ceremony and the effectiveness of that religious ceremony being challenged? In other words, I am talking about freedom of religion as well, not just the freedom to practice ones preferences. I am talking about -- can a religious group which happens to disagree with the majority continue to practice as it wishes if it wishes to recognize this ceremony? This question has not been answered and I hope it is.

"Thank you."

The Chair asked:

"Representative Tom, do you wish to answer that question? It's your choice."

Representative Tom answered:

"I will address it now if he wishes, but I plan to address it when I give my presentation."

The Chair said:

"Why don't you defer for his presentation, Representative Case, if you don't mind."

Representative Case answered:

"No problem, Mr. Speaker."

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

"I would like the group to refer to the words of a coalition of religious leaders who visited us a couple of days ago by way of re-emphasis of what my distinguished colleague from Manoa has just talked about. They say, 'We are organizations and citizens who care about Hawaii's traditions of tolerance, diversity, acceptance of different religions, cultures and lifestyles, and commitment to equality. These fundamental values are cornerstones of our race and of our state and federal Constitutions. They go on just to defeat this in these words. We urge our leaders not to succumb to legislation based on tyranny by the majority. We must turn away from the kind of public that in the past supported the internment of Japanese-Americans during World War II, segregation of African-Americans, prohibition of inter-racial marriages, and the denial of voting rights for minorities.'

"These are not my words, these are the words of religious leaders in Hawaii. Now, some have noted that they feel that these views are not traditional views, but I would like to read to you the list of those ministers and their affiliations: The Reverend Joan Ishibashi, Hawaii Conference, United Church of Christ ... in case you forgot, the congregation that first came to Hawaii are the United Church of Christ, if we're talking about tradition; The Reverend Yoshiaki Fujitani, retired minister of the Honpa Hongwanji Mission of Hawaii ... many of those of us who sit here whose ancestors came from the Buddhist tradition; Reverend Dr. Wallace Ryan Kuroiwa, Nuuanu Congregational Church; Tyrone Reinhardt, Kaulana Pueo Congregational Church; Reverend Mike Young, First Unitarian Church of Honolulu; The Reverend Dr. John Norris, First Christian Church; Reverend Fritz Fritschel, Lutheran Church of Honolulu ... you remember those who were in the new radical sect. We are talking religious leaders here who represent long traditions of Christianity, Buddhism and other religions in the State of Hawaii and throughout the world; Reverend Dr. Donald K. Johnson, Lutheran Church of Honolulu; Reverend Dr. Richard

Walenta, Presbyterian; Reverend Mary Gabrielson, Unity Church of Hawaii; Reverend Neal MacPherson, Church of the Crossroads; Reverend Robert Aitken, Honolulu Diamond Sangha a Zen Buddhist Society; Reverend Pam Vessels, Disciples of Christ; and Reverend Joris Watland, a Lutheran pastor.

"I read these, Mr. Speaker, because of a certain misimpression that the amendment before us represents a religious tradition and those who might oppose it represent a secular view. This is not the case.

"This amendment does divide religions and religious views. This amendment does divide our community, and I would pose a question: Is it necessary for us to be so divided in this land of aloha?

"I would also like to point out that the religious conflicts and the protection of religious marriages are protected in many court cases. A recent one occurred in the state of Georgia where one individual was denied a job because it was discovered that she was planning to be married to another woman. Incidentally, the person denying that job was the Attorney General of Georgia. In this case which was decided just last December, the United States Court of Appeals ruled that intimate association between woman and second woman, whom she claims to marry in a Jewish religious ceremony, was protected by the First Amendment and that it was inextricably entwined with the first woman's exercise of her religious beliefs. If you read this court case, Mr. Speaker, you will find that they review actually in detail every aspect of the traditional Jewish marriage ceremony which was performed, in this case, for those of you who feel that we are talking about small minorities of religious practices.

"Mr. Speaker, the amendment before us does not speak about the issuance of marriage licenses by the State of Hawaii. It is much broader than that. This language of marriage is defined as 'reaches into every church, into every personal relationship with the Supreme Being and their sacred rights.' It is not, I submit, for the State of Hawaii to take sides.

"If the intent is to merely limit the actions of the issuance of a certificate for a license of marriage by the Department of Health, then it seems to me that should have been the language. And I have heard it argued -- well, there really isn't any difference between the civil ceremony and the religious ceremony, marriage is marriage. It was just argued that you can't separate the two. Well, I would argue, if you cannot separate the two, then you had better not take this step that says that in certain religions and in certain churches, your marriages are illegal. Remember, it was the Attorney General of Georgia who denied a job because this employee was going to commit an illegal act, was going to participate in a marriage ceremony that the state of Georgia felt was illegal. In that particular case, there was no argument about whether the state of Georgia could issue a civil certificate. In fact, that was not even argued by the plaintiff. The entire argument -- the entire argument -- was over religious freedom. And this is the United States Court of Appeals that has issued this verdict.

"I would like to submit to you that the language before us has taken the State of Hawaii and forced, in every church, to debate how they feel about this. It is one thing to have a private discussion and argument in the confines of an individual church. . .

At this point, the Chair interrupted and notified Representative Shon that his time was up and asked him to summarize his remarks.

Representative Shon continued, saying:

"It is quite another for the state to force this discussion with this kind of language. I would like to submit that if what you want to do is prevent civil marriage licenses, that's what you should do. But this bill does not do that. This bill poses the question: Are we the ones who will define marriage for everyone of you in your church?"

"For this reason, I must vote against this bill.

"Thank you."

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

"Mr. Speaker, the Hawaii Supreme Court decision in *Baehr v. Lewin* is flawed because the drafters of our Hawaii State Constitution did not intend that the prohibition against discrimination on the basis of sex would be used to interpret the marriage law and result in same-sex marriage. Clearly, the intense debate regarding same-sex marriages is not about discrimination on the basis of sex. For example, a denial of the employment or a job promotion because the applicant, for example, is a woman, but rather, same-sex marriage is about sexual orientation and behavior. Race and gender are simply not comparable to the category of sexual orientation. As General Colin Powell stated, and I quote, 'Skin color is a benign, non-behavioral characteristic.

"Sexual orientation is perhaps the most profound of human behavior characteristics. A comparison of the two is convenient, but invalid. Same-sex marriages would have wide-sweeping social, economic and moral impact not only on Hawaii, but on the nation as well. As one mixed couple recently wrote to one of the local newspapers, mixed race marriages simply change the color of marriages in America, whereas same-sex marriage would completely contradict and drastically alter the concept of marriage. Same-sex marriage does not provide the same contribution to family and child-rearing society that mixed gender couples provide.

"Mr. Speaker, in a recent public poll, 71 percent of our constituents oppose legalizing same-sex marriages and yet we continue to hear arguments from our colleagues that the framers of our Constitution intended to protect the 'rights of the minority.' If that be true, then this legislation is far behind in advocating for the rights of the minority in the fact that they have never freed the native Hawaiians by now who overwhelmingly have been denied their constitutional and humanitarian right to self-determination.

"On February 29th, I met with Mr. Randall Terry. As you all are aware, Mr. Terry was here to protest the same-sex marriage issue. Mr. Terry's visit was very controversial and insightful, and the fact that 71 percent of the public opposes same-sex marriages, was unnecessary to convince me in my position to oppose same-sex marriages and to support this constitutional amendment vehicle.

"I have always and will always oppose same-sex marriages simply because it's wrong. If we as lawmakers legalize same-sex marriage, we have legalized acts of homosexuality, and if that be the case, where do we stop? It will only be a matter of time before it will be acts of discrimination to not legalize prostitution, pedophilia and other social deviant behaviors.

"I ask that this body to support this bill to seek the vote of our constituents in the definition that marriage is reserved exclusively for the lawful union of a man and a woman.

"Thank you, Mr. Speaker."

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

"Mr. Speaker, I will discuss my opposition to this bill by extending as witness to my beliefs about the country and the Constitution, and I hope you will grant me a little bit of latitude, a little bit of tolerance, if you will.

"Mr. Speaker, the question on the ballot shall be as follows: 'Shall marriage be defined in Hawaii as the legal association reserved exclusively for a man and a woman?' The question behind the question is whether we should amend our State Constitution to restrict the rights of certain individuals. Are same gender relationships which provide love and faithfulness, protection, support, and encouragement less to be valued and protected than relationships between a man and a woman?"

"Both our federal and state Constitutions are intentionally broad and subject to interpretation. As such, it is entirely proper that the final interpretation of our Constitution rests not with forced legislative measures and majorities forcing their beliefs on minorities, but with the judicial process. It is this process that is the basis for our government and the underpinning of equal protection for all citizens.

"For a moment, Mr. Speaker, let us look back on the civil protections extended to minorities during the 1960s. With that judicial interpretation by the courts, we may still be a country where racial discrimination is acceptable. If constitutional amendments to prohibit civil rights have been put to voters during that era, many states today would have the basis to legally discriminate against minorities.

"One of the principles our country was founded upon is that the rights of minorities must be protected. Denying equal protection to any group, no matter how unpopular, creates arbitrary distinctions among citizens, leading to certain groups that are more equal than others, thereby justifying discrimination.

"I, too, shall quote from the joint statement of religious leaders who support equal rights and diversity at this point: 'We urge our leaders not to succumb to legislation based on tyranny by the majority. We must turn away from the kind of public will that in the past supported the internment of Japanese-Americans during World War II, supported segregation of African-Americans, supported prohibition of inter-racial marriages, and supported the denial of voting rights for minorities.'

"The question of same-sex marriage, Mr. Speaker, must not be decided in a popularity contest. It is one of the inherent obligations of our government to protect oppressed and underrepresented groups, to respect the dignity of all people, and to extend equal protection to all.

"Article I, Section 3 of the Hawaii State Constitution states: 'Equality or rights under the law shall not be denied or abridged by the State on account of sex.'

"Article 1, Section 5 states: 'No person shall be deprived of life, liberty or property without due process of law, nor be denied the equal protection of the laws, nor be denied the enjoyment of the person's civil rights or be discriminated against in the exercise thereof because of race, religion, sex or ancestry.'

"These are rights extended to all persons because of our American heritage of tolerance. Let us continue in that noble tradition.

"Let me conclude not with a philosophical argument, but with a common sense notion based upon how we in Hawaii have chosen to live. Mr. Speaker and colleagues, one of the reasons that I love Hawaii is because so many different kinds of people can live together in one place with respect and tolerance for each other. In fact, in Hawaii not only do we respect and tolerate each other, we celebrate diversity. That's the way we in Hawaii have chosen to get along. No matter what our individual beliefs are, no matter what our individual lifestyles are, we respect and celebrate the beliefs of others and the way they choose to live.

"Mr. Speaker and fellow colleagues, because the rights of minorities should be protected and must be protected, deserve to be protected, and because we are all minorities of one sort or another, and to preserve the way of life in Hawaii, I shall be voting against this bill.

"Thank you."

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

"Mr. Speaker, in 1978, the voters of this State adopted our State Constitution which contains a provision prohibiting discrimination based on sex. It was undisputed, Mr. Speaker, that this provision, sometimes called the equal rights amendment, became a part of our State Constitution in order to ensure that women were accorded equal rights with men.

"In May of 1993, our Supreme Court interpreted the actions of the voters -- the actions of the voters -- of this State in adopting the equal rights amendment as a mandate to state government to issue marriage licenses to couples of the same sex.

"In 1994, this Legislature overwhelmingly adopted Act 217 which rejected this interpretation of our State Constitution.

"Neither the trial court nor the Supreme Court has taken any action to dismiss the same-sex marriage case in the two years since the adoption of Act 217 by this Legislature. Instead, we find state after state on the mainland considering laws to specifically bar recognition of same-sex marriages should the Hawaii Court refuse to reverse itself.

"It was under these circumstances that the House Judiciary Committee, on January 23rd of this year, held a very lengthy public hearing that lasted through the night on bills relating to marriage and domestic partnerships, and half of them proposed constitutional amendments.

"Some of the members of this body seem to have forgotten what I recommended at that time regarding the bills on the constitutional amendment, and I would like to quote what I have said that night -- to make it very crystal clear what was said: 'I would like more time to review the testimony and arguments with regard to the proposed constitutional amendments before I make a recommendation as to whether or not we should turn the matter over to the ultimate constitutional authority in this state -- the voters.'

"I most certainly did not say that I would hold these measures, and I did not say that no recommendation on these measures would be made.

"But now, having given the members of the committee and members of the public an additional five weeks to consider the issues, to lobby other members and to provide additional comments to the committee, I was

stunned to hear complaints that this additional five-week period of input and reflection was somehow a violation of the rules. Would those who made these comments have preferred that I make that decision that night as I normally would?

"I can only wonder at the motives of those who criticize the process in bringing this matter to a vote, not to a hearing, to a vote, because their complaints ignore the deliberative pace that was adopted in considering this important issue.

"As Chair of the House Judiciary Committee, and after a long period of careful reflection, I recommended that we pass the measure before us. It was not an easy decision. It was a very difficult decision -- a decision made Friday morning, the day that I had to either fish or cut bait. But I saw that day after day, state after state, was proposing legislation to bar recognition of marriages contracted in Hawaii which violate their laws. I saw a court case headed for trial where the laws we passed have received little, if any, recognition. I saw domestic partnership bills moving through the Legislature not on merit and not as an expression of legislative policy, but upon naive and misguided assumptions that the Supreme Court will change its mind if we appease them by passing laws at their direction.

"Mr. Speaker, I have agonized over the decision of whether to submit the issue to the voters. It is the most difficult decision I have ever made in my legislative career, because many hateful and untruthful things will be said by irresponsible people in the ensuing debate. But failure to act at this point is to deny the people of this State their most fundamental political and human right, the right to be governed by laws adopted with their consent.

"Yes, I have heard that the claim to same-sex marriage is a civil right. And yes, I have listened to the arguments that refusing to grant marriage licenses to homosexual couples is discrimination against a minority.

"But I know, better than anyone in this chamber, what it feels like to be discriminated against as a minority. Which member here has been thrown out of a classroom by his professor and told that there was no place in school for people like me? Which member here has been denied the right to read public documents because they were printed in a form that I cannot read?

"But the people of Hawaii have never voted -- have never voted -- into our Constitution a provision to bar discrimination against the handicapped, and I would be the first to complain if the Supreme Court were to read such a ban into the Constitution when it isn't there.

"Instead, concerns of the poor, the elderly and the disabled are addressed by the Legislature, as public policy.

"It is illegitimate for the judicial branch of government to subvert the Constitution by reading into it so-called civil rights which simply don't appear in the document. To me, the Supreme Court simply decided that they, who are not responsible to the electorate, are the ones who will become a super-Legislature, implementing their own vision of society.

"There was never a right to same-sex marriage in our Constitution and the Supreme Court knows it. And when an interpretation of the Constitution of the State of Hawaii does violence to the intent of the voters who adopted it, it is necessary and proper to submit the matter to the voters for resolution.

"To those who speak against this bill as a violation of civil rights, I ask: Why are you so anxious to deny the most basic civil right to the people you represent, the right to be governed by laws of their own choosing?"

"Mr. Speaker, our State has a long and proud history of tolerance and protection of minority rights, placed into law by the voters and by this legislative body.

"We, as a Legislature, have extended protection to the minorities in this State who are not mentioned in the Constitution, including homosexuals. And I have no doubt that we will continue to do so. That is what we have always done. But the question of whether to extend the benefits of marriage to same-sex couples or to homosexual couples belongs properly to this Legislature, not to the Supreme Court.

"Homosexual men and women make up a valued part of our community. We, as a Legislature, need to address their concerns as surely as we need to address the concerns of the poor, the elderly and the disabled.

"But I cannot sit idly by and let these legislative responsibilities be usurped by three people twisting the Constitution in an attempt to impose their own vision of social policy upon the people of this State.

"The bill before us allows the people of Hawaii to recapture their rights as the authors of the Constitution of our State.

"Very briefly, Mr. Speaker, in response to some of the points that have been brought up, yes, we are dealing with a minority of two percent that wants benefits. Yes, we are called upon to lead. We are not called upon to lead, talking about just minorities and majorities. We are called upon to lead to do what is right, to do what is fair, to do what is just, to do what we have to do, in terms of this issue of marriage.

"You know, there's only one kind of marriage to me. I don't know if there's a civil marriage versus a religious marriage -- I never heard of that. There may be religious ceremonies -- people exercising their rights under their religion. But there is only one kind of marriage and that marriage is getting a marriage license, getting married under the statutory laws of this State, and getting benefits. That's the kind of marriage I am talking about. To put the words 'civil' or 'religious' -- don't duck the issue! You're muddying up the waters! Why are you doing that so late, to bring this kind of stuff up? No one ever brought it up at the hearing. You talk about religions fighting among each other. They never talked about civil versus religious. They have those bills right in front of them.

"I don't think this is the proper time to send mixed signals to the court. We are clear on the issue of marriage -- between a man and a woman. For those of you who want to go down, vote against the constitutional amendment -- go down! But don't use all of these jibber-jabber that distinguishes to suit your conscience and to hide what you really want. Be a man! Vote the way you are going to vote. Be a woman! I am not making distinctions, but do it! There is only one form of marriage. We don't have a civil marriage versus a religious marriage.

"Now, what about the kinds of violations that we've been talking about in the past? Even with inter-racial marriages, there has never been a dispute that a marriage is between a man and a woman. That has never been disputed. In Hawaii, statutorily we talk about job discrimination -- hey, we passed a law in the 1980s that said you cannot discriminate against homosexuals in job

performance. We did it at the Legislature. So why are you telling me about case laws in other states? Every case law is different. Every case law can be distinguished. But we had rights protected in our statutes, and it's thanks to this Legislature.

"Should we amend the Constitution to restrict rights? Come on -- the homosexuals never had a right to marry under the Constitution anyway, so what are you restricting? We're clarifying -- let's call a spade a spade. When you talk about racial discrimination, that's different, because when the courts said you cannot discriminate on the basis of race -- inter-racial marriages -- we already had the Thirteenth, Fourteenth and Fifteenth Amendments passed in the 1860s, during the Civil War which banned discrimination on the basis of race. This court was correct in interpreting the Constitution at that time.

"But in this case, there is nothing here. What the court does is twist what the equal rights amendment in Hawaii stands for, to say, hey, they are meant to cover same-sex marriages. That's a lie and the court knows it.

"I ask you, let's not muddy up the issues. Let's vote our conscience -- okay? Stop jibber-jabbering about different provisions. Are we going to clearly define marriage? And I say, yes. Then we can approach the issues of legal relationships, but let's not send mixed signals to the courts. Please, members, vote your conscience and lead.

"Thank you."

Representative Garcia then rose and stated:

"Mr. Speaker, I rise to speak against the proposal. I want to thank the Chair of the Judiciary Committee because in arriving at this decision, I know this is a reverse of my position last Friday, but after listening to that presentation, I am more resolved now to speak out my conscience.

"Mr. Speaker, I am a Christian and a Southern Baptist at that -- one of the most conservative. I am a public servant as well, serving in a pluralistic democracy. You and I, Mr. Speaker, as well as our colleagues, have been given the privilege to create conditions so that all of our citizens can live with dignity, and with a reasonable degree of freedom. I do not have to agree with everyone who does what he or she does with that freedom but, at the same time, by guaranteeing that freedom, I guarantee my own. I protect my right to be a Christian by preserving your right to be a believer of another denomination or faith, even if, in my eyes, your behavior is considered sinful.

"Former New York Governor Mario Cuomo, himself a Catholic who reconciled his faith with his duty as a politician, explained it this way to his constituents: 'We should appeal to the best in our people, not the worst. Persuade, not coerce, lead people to truth, by love, and still, all the while, respect and enjoy our unique pluralistic democracy, and we can do it, even as politicians.'

"Our State Constitution, like our federal Constitution, serves as the unifying and symbolic evocation of our island community. Our federal Constitution, in fact, has endured relatively unchanged over the course of our nation's history, and this spare and lean document, with its words of unchallenged wisdom...has nevertheless managed to govern the hearts and minds of our people, even with the march of time and changing circumstances.

"With regard to our State Constitution, Mr. Speaker, we should also be careful whenever there are proposals to



amend this document. This is also a document that upholds the ideal that individuals should be free from government imposition, inquisition and intervention, free to enjoy life as they see fit, so long as they do not do injury to others. This ideal is underscored in Article I, Sections 2, 3, and 5 of our Constitution, which simply states that all citizens of the State of Hawaii are entitled to equal protection under the law.

"Mr. Speaker, the business of government is to protect each and every citizen's rights, even if their behavior is viewed with distaste and disdain by the majority. Governments and politicians should devote themselves to the health and welfare of their constituents, to defend the borders against threats to its survival and security, and to matters regarding the economy and commerce. They are not to concern themselves with ensuring that the citizenry abide by doctrinal purity or salvation, or that they should lead moral or virtuous lives. That is the stuff of religion, and should be viewed as the responsibility of our religious leaders, Christian and non-Christian alike.

"It is a wonder that while we debate this measure, I see that parties on opposite sides of this issue pray to the same God, read from the same Bible, and purport to follow his teachings. It is a wonder that as I made my way to the Capitol this morning, I saw, as I see almost every day, the wish displayed on bumper stickers to 'live aloha.' If this measure were to be signed into law, I wonder whether the mention of Hawaii as the Aloha State will come with an asterisk, an amendment, if you will, that would say aloha is not extended to those who do not abide by the letter and spirit of this particular constitutional provision.

President John F. Kennedy once said: 'If we cannot end our differences, at least we can help make the world safe for diversity.' Here in Hawaii, we celebrate diversity, and, at the same time, we honor the ideal that all men are created equal. The danger is that this proposed amendment would declare that some people are more equal than others. This leads to my greater concern over whether this measure is the proverbial camel's nose entering the tent. If it is allowed to enter, then what is to come next? More precisely, Mr. Speaker, who, and what kind of behavior will be targeted next?

"We argue constantly over whether we should be in the business of legislating morality. This amendment strikes a moral tone, with proponents declaring that marriage between a man and a woman is crucial for procreation, and hence, the survival of the human race. They say we should worry about the sensibilities of our children because anything other than traditional marriage would violate our children's view of the proper roles of men and women in polite society; and there is the opinion that says if we do otherwise, this State will help to drag down a country that is already fast becoming morally bereft and without a Christian foundation.

"I will counter that the country has survived even a war within its own borders, not to mention all other kinds of challenges, both man-made and natural, from within and without, with its institutions and values intact. I might also add that the arguments that America is subjecting itself to moral decay had their genesis even as our forefathers were deliberating over the United States Constitution. If you review that document, Mr. Speaker, there is no mention of God, or Christianity, for that matter. In fact, religion is mentioned once, in Article VI, which declares that 'no religious test shall be required as a qualification to any public office or trust under the United States.' As that document moved towards ratification, there were those who denounced the obvious attempt by the drafters to separate church from state in matters relating to the governance of the nation. The

anti-federalist Charles Turner declared that 'without the presence of Christian piety and morals, the best Republican Constitution can never save us from slavery and ruin.' More than two-hundred years later, the nation, and the Constitution, are still the inspiration and the envy of others the world over.

"I will close, Mr. Speaker, with a reference to a man who, in no small measure, was responsible for the drafting of the so-called Godless federal Constitution, a Constitution that served as the inspiration of our very own state document. There is a memorial to this man, which was dedicated on the bicentennial of his birth in 1943. If you, or any member of this legislative body, were to have the opportunity to visit this memorial, there is a passage at the base of the memorial's rotunda that is worthy of pause and reflection. It is a passage lifted out of a letter the honoree had sent to a friend, a distinguished physician in Philadelphia by the name of Benjamin Rush. That passage is one that I have taken to heart with respect to this bill, and it reads: 'I HAVE SWORN UPON THE ALTAR OF GOD ETERNAL HOSTILITY AGAINST EVERY FORM OF TYRANNY OVER THE MIND OF MAN.'

"Those, of course, are the words of Thomas Jefferson, written when he was in the midst of his presidential campaign in the year 1800. This year, we are in the midst of yet another contest for the right to lead the American people, and there is a candidate that preaches the politics of exclusion. Here in Hawaii, there is, in this measure before us, in both the letter and spirit of its language, an all too transparent attempt to exclude those who are different because of their behavior -- because they choose to be with someone of their own sex. While I disapprove of this behavior, I cannot bring myself to impose my beliefs on others -- and I simply cannot condone this particular amendment to the State Constitution, and deny to those who cannot abide by this provision the same rights that marriage accorded to me and my wife.

"For this reason, Mr. Speaker, along with the other concerns stated previously, I must respectfully request that the Clerk register a no vote for me on this measure.

"Thank you, Mr. Speaker."

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

"Mr. Speaker, I am impressed with the democratic process. This is healthy, this is what, as a freshman, that when I came here, I thought we were going to do this on every bill. Unfortunately, things aren't always as exciting as this. But interestingly and ironically, as a freshman I sat in Representative Halford's seat, and we argued that sexual orientation in employment should not be a consideration. In fact, you should hire anybody who has whatever practice. Then we went over to the State Office Tower, we came back here five years later, and we are arguing legal bisexual orientation.

"Things happen quickly, which is some of the reasons why I am going to speak, because, Mr. Speaker, the first reason I am going to list here in support of this is that if you knew a freight train was coming down the tracks and you were one hundred percent certain you were going to get hit by it, what would you do? You'll get out of the way -- common sense! Every legal mind in the State of Hawaii says, if you don't do a constitutional amendment, you've got same-sex marriage. It's that simple. Failure to act, as the Chair of the Judiciary Committee has spoken, is in fact to be hit by the train. There's no ifs, ands, or buts -- it's a done deal. All the best minds have said same-sex marriage is a done deal if we do nothing.



Not a single dissenting legal mind in the State of Hawaii which say, by July or August of this year, it is already completed. Slam-dunk, it's finished.

"So, Mr. Speaker, the first reason to support this bill is common sense. It's the only common sense thing to do. Secondly, the cupboard is bare. We have been told by the Attorney General, or by persons in that office, that we have not a compelling State interest that would convincingly turn the court around. Can you imagine that the Supreme Court cannot come up with a compelling State interest? The legal check that the Supreme Court made has put us in a headlock we cannot wiggle out of. It was so logical, so well-crafted, we cannot have a compelling State interest. I find that rather novel.

"Number three, Mr. Speaker. The domestic option is no option. The State's alternative has just been passed and it's roughly coming over to us in a matter of hours -- Senate Bill 1411, the domestic partnership bill. In the short run, the domestic partnership might possibly settle the legal concerns of the Supreme Court, but there are no guarantees that it will do so in the long run.

"In the words of Dan Foley, the attorney representing three gay couples attempting to get married, I quote: 'We support domestic partnership, but we'll go to court and argue that it is not enough. Domestic partnership is separate and unequal, and there is no compelling interest for the State to deny the full rights of marriage.' So those who would go the domestic partnership route is saying, that's only half a loaf in terms of what the Supreme Court is offering us as a compelling State interest.

"Now, same gender rights could be placed on a slippery slope but it may be, Mr. Speaker, five or ten years before any of that would come to pass. If there's domestic partnership, it doesn't mean it will automatically go to marriage. It may be five or ten years.

"But as I said earlier, we started in 1991, in terms of sexual orientation. Already we're getting married five years later.

"Additionally, I think, Mr. Speaker, in the domestic partnership realm, we should see what's happened in Seattle, Washington. In a recent report that was given to Senator Grauly, it noted that in a domestic partnership agreement in Seattle, 65 or 70 percent are 65, or the majority of those who took advantage of domestic partnerships were heterosexual couples. The 25 or 30 percent who are homosexuals, the vast majority of those were lesbians, and the smallest amount were homosexual males. Interestingly, in this rush to get married, it's the vocal homosexual males who are leading it, but they are the least of fellows likely to enter into a relationship. I find that statistically rather ironical.

"Fourthly, Mr. Speaker, trust the people. We're talking about a constitutional amendment before us. This is a plebiscite. This is where you go to the people to ask them what they're thinking, and I want to go down to number seven where the sacred constitutional amendment is something you don't tinker with, but number seven says, sacred tampering is everyday tampering. This is the fifth constitutional amendment that we have before us on this body this very day if not last week. We are going to amend the Constitution so school CIP funds can be used for four years, not three years. We're going to change the Constitution so the legislative auditor can be called the legislative auditor rather than just the auditor. We are going to change the Constitution so revenue bonds can be used for Hurricane Funds -- we just went through that one a few hours ago. We are also going to repeal the mandatory refund of the excess general funds if we ever get to the end of the calendar, Mr. Speaker. That

one's coming up. Those are four different constitutional amendments of which. . .let's face it, these are pretty manini things, right? But the Constitution says, you've got to go to the people of Hawaii to get those manini things changed. Now, if we're changing the whole tradition of the world in terms of marital status, why should we not go to the people? If those little manini things causes us to go ask the people and get their permission, to change such things as revenue bonds to be used for Hurricane Funds, why not go to the people with things of substance and issues of long-range consequences? I think that's obviously a rhetorical question and answered by its own self.

"Fifth, we've already spoken on this issue. The Chair of Judiciary already said that in 1994, we have actually amended the marital status statutes that says, it's between a man and a woman. However, Mr. Speaker, when I was on dialogue with you, you and Senator Liu said, 'You know, we spoke about this back in the 1978 Constitutional Convention.' Sexual orientation was considered to be added to the Constitution but rejected the idea of widening the rights of homosexuals. The Committee on the Bill of Rights, Suffrage and Elections voted 16 to 11 to exclude sexual orientation from the Constitution and noted in its committee report that, 'This is a statutory matter rather than a constitutional one.' If any of you doubt that, see one of the members who was a member of that committee in 1978. His name is Representative Stegmaier, and he was on that committee and he voted on this very issue.

"In 1978, we already spoke; in 1994, we already spoke. What we are doing today is simply clarifying, codifying, putting to rest, if you will, all of the equivocation on what this is and what it means.

"Sixth, Mr. Speaker, history is so easily forgotten. I was not in this body in 1972. This body voted in 1972 to wipe off the sodomy statutes from the books. That was only 24 years ago when the behavioral component of what we're talking about today of same-sex marriage was legalized. How can people argue a right evolves from a sexual behavior that was, in effect, forbidden 24 years ago. We've come a long way very, very quickly.

"Lastly, Mr. Speaker, I want to put my hat on as a sociologist. I spent eight years of my life as a hippie at the University of Hawaii. I am going to speak about this diversity mystique that we have in Hawaii. It's true, there is a diversity, there is a tolerance, there is a sense of giving everybody their say. But let us be very clear. This is a sociological phenomenon. I speak of that in the sense that with cultures coming together in diverse groups, they either conflict, assimilate or tolerate one another. I lived this personally at the East-West Center. We had thirty different cultures, languages and probably seven ethnic groups on campus -- no one wanted to offend anybody else so we let everybody do their own thing. I have an interracial marriage, I have an interracial child; I know exactly what that living of this interracial issue is about. I forgot to say, Mr. Speaker, since I sat back there and now up here, I have been baptized in fire, and I wanted to be the Minority Leader, and I wanted to just be a minority party in the State of Hawaii. And believe me, it's an experience, and my six colleagues know what I am talking about.

"My point is, Mr. Speaker, the tolerance issue at the East-West Center was that everybody could do anything, and I made an agreement with my wife that you don't put your language and culture on me and I don't put my language and culture and origin on you. And it was as a Mexican standoff. In Hawaii, because we have aloha, we are loving and caring to one another, and it's a sociological phenomenon that we treasure and that we

should keep that we have to love and behold. But like at the East-West Center, when the Muslims drew the line in eating pork, there were certain levels of tolerance where you never went beyond the boundaries. And when you were an Indian and you started dating a Pakistani, there were certain levels of tolerance where you drew the line. And in Hawaii, Mr. Speaker, and today as we speak and I stand here, Hawaii has drawn the line and said, homosexual behavior -- go for it! Marriage -- no. That's where Hawaii is drawing the line. That's where the tolerance and the mystique is, but that's what the aloha is, to say that the behavior is okay, but marriage is not what we want to approve. For that and these small reasons, Mr. Speaker, is why historically and presently, we are doing the right thing and the common sense thing, we have to act by asking for everybody's consideration to vote this.

"Thank you."

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

"My opposition is based on three points and, Mr. Speaker, these three points are coming from my conscience. I don't consider them to be jibber-jabber.

"First, marriage is a sacrament and as such is a religious matter -- not a matter of the state government. Secondly, this constitutional amendment can be legally interpreted to reach the long hand of the state government into the churches that choose to marry same gender couples -- and say it is illegal. Freedom of religion is a constitutional right and I, too, received letters from religious leaders who expressed their grave concern that this right is being threatened. Third, this bill does nothing to protect the civil rights of individuals who choose to form domestic partnerships when these people are of the same gender. This protection of civil rights is a responsibility of government. I feel we still have a long way to go to meet this responsibility.

"For these reasons, I must vote against this bill.

"Thank you, Mr. Speaker."

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

"You know, I found it ironic this week that the subject of same-sex marriage has twice caused me to really think about who I am and what is important to me as a person. Not as an Asian American, not as a Christian, not as a heterosexual, but as a person. I stress these things about myself because I feel it is important to express that those things make up who I am, they are not what I am.

"I am a person, first. An individual with my own mind and ideas, and my own ways with which I express them, and no church, government, or person should EVER abridge that ability.

"When the State Constitution was written, I can state with certainty that the authors I'm sure never took same-sex unions into account when they were writing the document. And our forefathers who wrote the Constitution of our nation didn't take into consideration the rights of African Americans or women when they drafted it. Does that mean that we should have excluded them too? I don't think so. Not from a majority of the people perhaps, but nonetheless, a brave few stepped up and did what they felt was right. I must state what I stated two years ago today. I am not personally in favor of same-sex marriage. As a Christian, marriage as a work and institution has certain connotations to me that I have a hard time dealing with. But that is my problem.

The bigger problem is that many of us have a harder time dealing with the main issue at hand, which is, do we discriminate against one group of people because we do not agree with how they live their life? By passing this bill, we are clearing the way for that policy call, and on that I cannot agree.

"Again, I'll say to you today what I said two years ago. Fifty years ago, interracial marriage was not legal in many states. Why? Because it went against Christian morals, Christian ideals. And it again took a few people risking themselves to see this through.

"We, as the Legislature, have a huge responsibility; that is, to look out for the rights of all people, not just the ones we see fit to help, or the ones that speak the loudest. Indeed, some would say that government is at its best when it helps out the minority in order to bring about fairness. That is the duty that we took an oath to uphold, not the general public, so we shouldn't expect them to look at this issue the way we do. We can ask, but they have no responsibility to anyone but themselves, which is the way it should be. I vowed when I took office to uphold the Constitution of this state -- a vow I don't know if I can keep if it means using the Constitution to hold back from others the very rights I can receive. This bill does just that -- it holds back the rights of others. Some have said that gays have no basis for these rights by the laws that we have today, that marriage is not a right. My question is whether they believe that this same argument was not made when desegregation occurred, or interracial marriage was proposed.

"In his article, 'The Insufficiency of Honesty', Stephen Carter refers to integrity as composing three steps: discerning what is right and what is wrong; acting on what you have discerned even at personal cost; and saying openly that you are acting on your understanding of right and wrong.

"What is right is not always popular, and what is popular is not always right. I have to thank the Minority Leader for last week coming up to me, pointing to this pin that I have on my lapel, saying, 'Remember the 442', 'Remember the 100th Battalion', and I have to thank him for that, because with my no vote, I am doing just that. I wear this pin on my jacket to remind me that the 442 and 100 fought so that I could be here today doing just what I am doing right now. And they fought for a country and fought against persecution that kept their loved ones imprisoned while they defended the very country that put them there. And the reason they were there is that a majority of the people felt the same fear and loathing towards them that they feel now towards the gay community. . . and the government went with the majority. Can you honestly say now that only listening to the majority is the true test of how we should make our decisions? I can't. Will we be able to say twenty years from now that what was popular was right? Finally, I ask everyone here -- when it comes down to protecting the rights of the minority from the majority, the question truly is -- if not us, who? And if not now, when?

"In closing, I would like to express to the Chair of the Judiciary Committee that I can sympathize with his feelings of discrimination because I remember being a freshman in a dorm in college and on December 7, having eight of my friends jump on me and hit me, and yell at me, 'You stinking Jap, this is for Pearl Harbor.' This is for Pearl Harbor -- in 1986? Those are the kind of things that I am pledged to fight against and vow to fight against when I came to this House and I think all of us did. That is why I am voting no on this bill today.

"Thank you, Mr. Speaker."

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

"I believe personally that marriage should be exclusively between a man and a woman. My belief is not based on religion nor on what churches want or not want. Religion to me is an irrelevant point. Marriages need not be consummated in churches and many are not as evidenced by marriages which take place in Judges' chambers and outdoors.

"I believe the strongly supported recent survey which indicates that 71 percent of the people of Hawaii oppose same-sex marriages. That opposition has directly indicated to me, in letters and phone calls, is based on many different reasons. Some did cite religious purposes and it is not surprising that some of the 71 percent do go to church and do harbor religious beliefs which do not approve of same gender unions.

"However, many more have said that they do not want Hawaii to be the 'Gay Capital' of the world. Even more are concerned, legitimately so, that Hawaii will see an increase in HIV and AIDS, and experience a substantial increase in an already high health care cost. Others fear that our economy will be negatively impacted. Those with children are concerned about what lessons will be learned in school.

"My belief is further supported by the fact that no other state in our union and no other country, I have been told, has chosen to legalize same gender marriage.

"Finally, as has been expressed already, this critically important policy question with far-reaching impact on the people of Hawaii should and must be initially determined by this Legislature as elected representatives of the people, and subsequently by the voters themselves in a public vote. Most definitely, this question should not be determined by the courts which is what will happen if we should not pass this measure.

"Therefore, I urge my colleagues, in behalf of the 71 percent of the people that have said no to same gender marriage, to vote yes on this bill.

"Thank you."

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

"Mr. Speaker, you're right, there is nothing that I will say that has not already been said so the twenty pages that I had here, I will not even use. To tell you the truth, Mr. Speaker, I have written probably about five different presentations or floor speeches today and even if I wanted to, I couldn't use any of them. And I think the reason for that is for each of us, whatever side we're on, it's an issue of the heart. It becomes an issue that we have to deal with as individuals and no rhetoric -- I have speeches from everybody you can think of that I thought I would use on this today, but that doesn't matter.

"My concerns, Mr. Speaker, are probably few but included with the rest of what was said, many. I am concerned that we are looking at a minority group that is seeking special favors based upon who they desire to sleep with. There is love in that relationship, Mr. Speaker. I have homosexual friends that truly love each other, and I love them. They are good friends of mine. I respect them, but I do not accept the lifestyle that they have chosen. That is me -- that is who I am. I cannot accept that, but I accept them as people and as friends of mine.

"But I cannot change the whole issue of marriage throughout our State based upon who they desire to sleep

with, even if love is involved. Because, Mr. Speaker, there is a time when we will have to ask -- shouldn't our other preclusions from marriage also be looked at then? The Hawaiians married brother and sister and hundreds of years ago, they flourished. Why can't we allow that today? What is to stop us from allowing that? There is history that shows that that's an okay relationship. What would stop us from saying that that relationship now -- that minority relationship -- should not be allowed? It won't.

"This issue, and people might call me an extremist for saying that brother and sister might be looked at one day and that might be an extremist issue, but this is extremist. This is an extremist issue for those of us who believe that marriage should only be between a man and a woman. When all the constitutional issues came up -- race, gender, religion -- there are pockets of our nation that would not comply with the Constitution, and the nation demanded, Mr. Speaker, that this change. They demanded that these areas that were not complying change their laws, make those people respect the rights that were granted by the Constitution. Mr. Speaker, that isn't happening. Mr. Speaker, the states are hurriedly going about changing their laws so that what we do this session will not affect them. The nation is going in the opposite direction of all the civil rights causes that have come before this nation in the past two hundred years.

"Mr. Speaker, I have heard so many speeches today -- we started this morning, into the afternoon and now we're in the evening. I have heard so many of my colleagues talking about tolerance. Mr. Speaker, we are a tolerant state. Tolerance is allowing people to do what they wish to in private. This is going past tolerance. It is now condoning. We are being asked to condone something that we cannot. For many of us in this room and in this State cannot condone the public ceremony of marriage, but we tolerate the private relationship of homosexuals. That is tolerance. This is now condoning something.

"Mr. Speaker, I appreciate all the people that was mentioned -- the ministers and the congregations and the churches -- that disagree with my point of view. And I appreciate each and every one of them that was spoken of by our Representative from Makiki. You know why, Mr. Speaker? This amendment will allow them to vote -- every single one of them will have the opportunity to vote on this issue. They will have that right given to them today by passing this bill today.

"Mr. Speaker, this is an issue that goes to the core of who I am and what I believe in. I ask my colleagues this day to vote their heart.

"Thank you."

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

"My argument is based on page 2, paragraph 4, of Standing Committee Report No. 799-96, and I quote: 'The citizens of the State of Hawaii are the ultimate constitutional authority. The Constitution is an expression of their will, not the will of any branch of government.'

"Mr. Speaker, throughout my adult life, I am cognizant of the power of the people. Mr. Speaker, you are in office because you were elected by the constituents of your district. The rest of the honorable members of this body were also elected by the people of their respective districts. In my situation, I was appointed by the Governor who was also elected by the people of this State. My appointment is somewhat similar to court judges, including the Justices of the Hawaii Supreme Court, who

are also appointed by the Governor and, of course, confirmed by the State Senate.

"Because of my belief that the people should actively get involved in the affairs of government, during the last few years, I took an active role together with concerned citizens in encouraging people to take part in the election process. We knocked on doors to register people as part of our Voter Registration Campaign. We distributed posters and registration forms in different business offices. We transported voters from their homes to the polling places especially the elderly and the disabled during the Primary and General elections. You know, Mr. Speaker, I find inner satisfaction in these undertakings, knowing that in the long run some good will come out of it, but I must tell you it is tiring and very frustrating sometimes. I often wonder ... what does it take to make people realize the importance of their participation in the political process, even just by taking the time to register and vote during election day.

"Mr. Speaker, aside from letters I received from people to get involved in the election process, most specifically the constitutional amendment of this issue, recently I also ran a poll in my district on several key issues including same-sex marriage. The responses I received are that the people want to get involved in the discussions of issues affecting their lives and the issue of same-sex marriage is very much on their agenda.

"Mr. Speaker, how I wish that there is a way for me to be able to vote in this very place -- the Legislature -- and address this issue head-on and let this issue be put to rest once and for all. But because there is no avenue for us legislators and because this issue has been going on for a number of years, it's about time for us to respond to the clamor of the people to get involved, so let us allow the people of Hawaii to express their will on this very personal and sensitive issue.

"Mr. Speaker, because of my conviction on this issue, I also introduced a constitutional amendment, House Bill No. 3801 which is similar to House Bill 2366.

"Thank you, Mr. Speaker, for the opportunity to express my views on this issue."

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

"In addition to the full range of arguments in favor of this measure made by my colleagues, I would like to add, at this late hour, that the proponents of defining marriage as between a woman and a man in our State Constitution represent the rainbow of diverse, religious and cultural backgrounds which comprise Hawaii Nei. We believe in the importance of marriage and have determined that our society will be better off as it is currently defined by the wisdom of the diverse cultures and religions of the world.

"Thank you."

Representative M. Oshiro then rose to speak in favor of the bill, stating:

"Mr. Speaker, as I sat here this evening, I wasn't anticipating speaking on the floor. I was thinking about having my thoughts submitted to the Journal, but I will be brief, Mr. Speaker and members.

"The reason I am standing in support of this bill is based upon my belief that the Hawaii Supreme Court has ruled erroneously in the Baehr case. I look at this case from a legal perspective of analyzing our Hawaii State Constitution, Hawaii State case law, and the facts of this

case. But in general, Mr. Speaker, in a nutshell, I guess my comments will reflect those of Judge Klein.

"Judge Klein, for you who may not know, was the Trial Court judge in the Baehr case. In his order that was filed on October 1, 1991, Judge Klein made some important points, and I wish just to touch upon three of them in support of this piece of legislation.

"First of all, Judge Klein made the ruling that same-sex or homosexual marriage is not a fundamental right protected by Article 1, Section 6 of the Hawaii State Constitution. Even in the present case of the Baehr case, the Supreme Court, in sending the case back to the Circuit Court, has stated: 'We do not believe that a right to same-sex marriage is so rooted in the traditions and collective conscience of our people that failure to recognize it would violate the fundamental principles of liberty and justice that lie at the base of all our civil and political institutions. Neither do we believe that a right to same-sex marriage is implicit in the concept of ordered liberty, such that neither liberty nor justice would exist if it were sacrificed. As such, the Baehr case in our current Supreme Court held that the current plaintiffs did not have a fundamental constitutional right to same-sex marriage arising out of current marital statutes.'

"The second reason why I support this bill, Mr. Speaker, is that in analyzing Section 572 of the Hawaii Revised Statutes, I am of the belief that it also does not violate the due process clause of Article 1, Section 5 of the Constitution. Let me explain. The law does not infringe upon a person's individuality or lifestyle decisions. Section 572-1 does not criminalize, restrict, prohibit, burden or regulate the exercise of the right to engage in whatever style of behavior a person chose to engage in. Rather, and this is an important point, the law represents a legislative decision to grant the benefits of lawful marriage only to same-sex family units which consist of male/female partners. Enough has been said about this by the prior speakers. Because same-sex marriage has never been considered a constitutional right under any known state constitution or the United States Constitution, the provisions of Section 572-1 do not violate the due process clause under Article 1, Section 5 of our State Constitution.

"Finally, Mr. Speaker, I am of the opinion that homosexuals do not constitute a 'suspect class' for the purposes of equal protection under Article 1, Section 5 of the Hawaii State Constitution. Pursuant to Coates v. Pacific Engineering, 71 Haw. 358, 791 P.2d 1257 (1990), a group must have been subject to purposeful, unequal treatment or have been relegated to a position of political powerlessness in order to be considered a 'suspect class' for the purposes of constitutional analysis. Only three classifications have been identified as a suspect class by the United States Supreme Court. These three are race, alienage, and national origin. No federal or state case has ever determined that homosexual lifestyle constitutes a 'suspect class.'

"Despite the opponents' argument that homosexual lifestyle should be considered a 'suspect class', I find it hard pressed to equate the civil rights movements of Black-Americans or Asian-Americans with the quest by homosexuals for equality. A law that classifies on the basis of race deserves the utmost judicial scrutiny because race clearly qualifies as a suspect classification. The same cannot be convincingly said with respect to homosexuals as a group, especially in Hawaii, Mr. Speaker, with our history of tolerance for all peoples and all their cultures. I am of the opinion that people in this group have not been ostracized or oppressed in Hawaii and opted instead to rely on a general statement of their historical problems which are not relevant to conditions in

Hawaii. We are a very accepting and tolerant community, and it is rather ironic that we are the very state to whom they look for constitutional support.

"Furthermore, Mr. Speaker, homosexuals in Hawaii have not been relegated to a position of 'political powerlessness.' A 'politically powerless' group means a group that has 'no ability to attract the attention of its lawmakers.'

"Lastly, with respect to homosexuals as a group, Mr. Speaker, the State Legislature has been considerate of their rights. Act 2, 1991 Session Laws of Hawaii, amended chapters 368 and 378 of the Hawaii Revised Statutes to prohibit employment discrimination based upon sexual orientation. This legislative response could not have occurred without public support. Thus, I see no evidence that homosexuals and the legislative agenda have failed to gain legislative support in Hawaii.

"In closing, Mr. Speaker, without getting into the purpose of marriage or the ethical, moral, or religious arguments regarding the homosexual lifestyle, I need to impress upon you and the membership that my decision today is based upon my analysis of the State Constitution, the existing case law applying to this case, and my need to defend the intentions of the framers and the people who adopted our State Constitution.

"Mr. Speaker, I do predict, however, that this issue will be with us for some time, and we will continue to wrestle with this issue whether this year or next year, or years after litigation. I only hope that the same dispassionate analysis and consideration for all people underscore future debate.

"Thank you."

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

"In a recent editorial in the **Honolulu Advertiser**, Governor Cayetano put forth an idea that perhaps the State should get out of the business of marriage altogether. What the Governor appears to be saying is that if government is not willing or unable to clarify marriage, it shouldn't be involved. Why he would say this is a mystery to me. At least seven Representatives in this room introduced separate bills asking to amend the Constitution just as this bill before us. In 1994, the Hawaii State Legislature voted by a margin of two to one to limit marriage to opposite-sex couples. It seems clear to me that the legislative branch does want to clarify marriage and in passing this amendment today, and I hope that we do, it will be moving in the direction to once and for all make it clear that the state sanctions marriages only between a man and a woman. We are all elected by the people in our districts. We represent those people, and at least 71 percent of those people have made it very clear what they want us to do.

"Some claim that same-sex marriage is a civil rights issue. Such a claim presupposes that there are constitutional grounds for such a classification. Such grounds are absent on the federal level. The equal protection clause of the 14th amendment has never been used or been conceived up to now as a tool to legitimize specific forms of sexual behavior. Gender equality is guaranteed under the equal protection clause, and many gender suits based on this clause have been filed and won, but marriage as a same-gender phenomena has no federal history.

"On the Hawaii State level, the Supreme Court has, in effect, acted to go beyond employment, education, public access, et cetera issues, and has applied the 'no

discrimination by sex' idea to sexual behaviors. What evidence exists that such was ever the intent of the majority of this State when the inclusion of sex differences as a protected right was made? It can be argued that those Supreme Court Justices taking this position have overstepped the mandate extended to them by the State Constitution. A constitutional amendment will correct this decision.

"Those advocating 'same-sex marriage' have as their goal the legitimization of homosexuality by, among other things, linking it with ethnicity and gender issues. Such a comparison is fundamentally flawed. Since homosexuality is primarily a behavior and ethnicity and gender are status characteristics. The differences in impact between status characteristics and behavior as these relate to discrimination is crucial. Status characteristics are immutable. You are born White, Brown, Black, Asian, and non-behavioral while behaviors are alterable and controllable and can be changed.

"I am clear that it is our responsibility as legislators to take this action. As my Minority Leader said earlier, the freight train is headed right straight for us, and if we don't do something, we're going to be hit, and the courts will decide this most important issue.

"I am thankful to the Chair of the Judiciary Committee for having the courage to pass this bill out of his committee. I know there was a lot of pressure on him to just let it die there, but he did what was responsible -- he's passed it out -- and I urge all of my colleagues in this chamber today to vote for this amendment.

"Thank you."

At 8:18 o'clock p.m., Representative Arakaki asked for a recess and the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 8:19 o'clock p.m., Representative Takumi rose to speak against the bill, stating:

"First, I should mention that we have confused the issue this evening in our discussion. The bill before us is not about same-sex marriage; it is not about domestic partnerships. Much mention has been made about those two issues. The bill is about amending the Constitution. With that in mind, Mr. Speaker, permit me to jibber-jabber for a bit.

"A lot of mention has been made about 71 percent of the people in the State of Hawaii are opposed to same-sex marriage, and we should let the people decide this is the peoples' will. I would say, Mr. Speaker, that if we were to take a public opinion poll, for example on term limits, on the high three, that 71 percent would be near a hundred percent, and we should do something about those two issues.

"Another colleague mentioned about picking and choosing. We pick and choose all the time in this institution. The entire process is about picking and choosing. I know that firsthand. If this process wasn't about picking and choosing, more of my bills would pass actually, so I know we pick and choose quite a bit.

"I am opposing this bill for two reasons. First, there is honest disagreement whether or not this issue is one of policy or one of constitutionality. It's an honest disagreement. If it is one of policy, then the Legislature needs to clarify it; if it is one of constitutionality, then it is the court's role to clarify it. I believe this issue falls in the latter category.



"Secondly, I believe that the entire issue of the State's compelling interest in the licensing of marriages is one that will diminish in the future. At present, the State's primary purpose in issuing licenses is supposedly to protect the health and welfare of succeeding generations. This is why until last year the woman, when she applied for that marriage license, needed to certify that she had not had rubella. At present, the couple still has to certify that they are unrelated by blood in certain categories.

"Well, we removed the rubella testing last year. It no longer is required because actually rubella testing is a pre-natal requirement rather than a pre-marital one. Many, many women out there are having children without being married. The State should rightfully be concerned with those who are having children regardless of marital status. The admission of relation, a second requirement, is one of self-disclosure. The Department of Health has no way of knowing whether or not you're related in certain blood categories. You just go there and fill out the form and say, I'm not related in these categories, and they would issue you a license. So if an uncle and a niece go down to the Department of Health and they don't disclose their relationship, they still would be issued that license. It would be simpler for us to merely make it statutorily illegal for certain categories of blood relationships to become partners.

"So where does that leave us? It leaves us in a situation of placing the institution of marriage where it belongs: in the private and personal domain of the couple who choose to marry. The State's compelling interest would then be merely to record that union and register the couple as partners entitled to all the privileges, responsibilities and obligations of that partnership.

"It would be similar to what exists today in the case of divorce. We have no-fault divorce. We no longer ask the couple -- did you consummate your marriage? Okay, you didn't, then you ought to get a divorce. We don't ask, is the husband a womanizer, is the woman an alcoholic, or whatever the reasons may be for that divorce. The State's interest is merely to record the dissolution of that union, ensure that the economic rights of both parties are protected, and if there are children, to ensure that their interests are looked after.

"By moving in this direction, we would recognize that marriage is a commitment that is made by two people to each other. And that it is they who make the decision on how to affirm their commitment. It may be in a place of worship, it may be in front of a judge, or however or whatever they desire to consecrate their new life together. Furthermore and most importantly, Mr. Speaker, the sooner we move in this direction, the sooner we can concentrate our efforts on education, housing, the economy and all the other critical issues that are facing all of us.

"Let me close with the words of Lyndon Baines Johnson in a speech he gave in 1972 on civil rights, but I think it's appropriate for the discussion that we're having this evening. In that speech, 23 years ago, he said: 'I believe that the essence of government lies with unceasing concern for the welfare and dignity and decency and innate integrity of life for every individual. I don't like to say this and I wish I didn't have to add these words to make it clear but I will--regardless of color, creed, ancestry, sex or age.'

"Mr. Speaker, whether my colleagues are for or against this bill, I would like to humbly suggest that we keep his words in mind.

"Thank you."

Representative Chun Oakland then rose to speak against the bill, stating:

"I really appreciate all the words that have been shared by my colleagues. They think a lot about what was put into what they have shared with us this evening, and I thank everyone.

"Two years ago I had no background in this particular issue, but I was fortunate enough to be one of the legislators, along with Chairman Tom and others, that went statewide to every briefing and hearing on this particular issue. There were hundreds of people that came forward. About half of them were opposed to same-sex marriage, and about half of them supported same-sex marriage. That, in itself, was surprising to me. Many of the persons supportive of same-sex marriage were not homosexual, they were heterosexual. Many of them that were supportive were homosexuals and many of them would have never come out public on this. It taught me a lot of things that I took for granted.

"Persons that were opposed to same-sex marriage had three consistent messages to the Judiciary Committee. One, that their God looked upon homosexual relations as unfavorable; two, that many of these individuals were child molesters and child abusers; and three, that the welfare of the children were of utmost concern to them.

"The first point, respecting their religion but also respecting other persons's religion, I could not use as a basis for looking at denying the issuance of marriage licenses based on that point.

"The second point that was made was that many of these individuals were child abusers and child molesters, and that was very offensive to me. Basically, as Chair of Human Services, you know, I've seen so many people involved in child abuse, child molestation, the vast majority of them being heterosexual, and a vast majority of them, knowing the children, actually being husbands or boyfriends to those children's mother. That did not hold water with me either.

"Now, the compelling statement that the child's welfare was of interest was of concern to me. And through the testimony, I learned of couples that were of the same sex, that had long-standing relationships and children. And to this day, I have not heard of how those children have been negatively impacted and, in fact, are living very normal lives. In this discussion, however, many of these children were subjected to discrimination by persons that were at the hearing, chastising them.

"I also learned that government got involved in licensing marriage originally because there was a need legally to recognize that women were the property of men. I don't think most people agree with that anymore. More recently, the compelling reason is because out of marriage, there is children, and it is the State's interest, a very compelling reason, to get involved in licensing marriage. But then I started to question -- if we are, in fact, concerned about the children's welfare, and that is a compelling reason for licensing marriage, then we also need to look at our laws and question how the benefits that we give to the parents of these children that are married can be extended to children whose parents are unmarried, whose parents have divorced and there is a single parent involved now, whose parents are of the same sex. And so it really raised a lot of questions for me as to how we, as a government, would continue to be in the business of licensing marriage for that reason.

"I had heard some of the supporters of same-sex marriage indicating that when it came to visiting their



loved one in the hospital, that they were denied visitation rights. On their death bed, because they were not family in a legal sense, that humanly, I could not understand when someone loves someone and they have spent their life together, why do we deny them that? And the reason that was given is because they are not legally connected, that if a family of a person dying that other person was not a family member, they could not and would not allow that other 'spouse' to do this.

"I also learned that churches in Hawaii, some of them married same-sex couples, and that was also something that I learned through this process. So the churches themselves have made a decision either to marry or not marry and to make that kind of ceremony available to different couples. I think it brings a larger question of this whole thing about benefits. I think it arises because many of our laws are insurance policies and other things that extend benefits based on being married and by their marital relationship, and that's where I think, as a society, we need to look at revamping those things so that there is equal rights.

"If this constitutional amendment does go on the ballot, I trust that the people in our State will do their homework and will look at, as we are as legislators asked to do, to look at this issue from a point of fairness, compassion, and equality for those that may be in the minority.

"I thank you, Mr. Speaker."

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

"As all of you know, I have been a strong proponent of initiative, referendum and recall for many years, and I have fought several battles on its behalf. I feel sad that we have never reached that point in the Legislature here but that, at this point, is a situation where the majority of the people in the Legislature do not feel that they want to pass a bill like that. And which makes me come to the point that I am talking about.

"I heard a lot tonight about minority rights, but I would like to remind this body that our whole government is predicated from the very beginning on majority rule. The majority is not always right, but eventually, that does become right at the end, and I think majority rule should be something we need to keep in mind. That's why I am extremely pleased to see a referendum being put on the ballot this year. I hope that we do get it on there because I think the people of this State need to be the group that says -- do we have same-sex marriage or do we not? I think that we all need to look at accepting the rule of the majority. And we're talking about 71 percent of the people saying that they don't want same-sex marriage. That did come from a poll, I believe, out of the paper. But that's not quite the same as putting it on the ballot and seeing what the voters of this State have to say about this issue and as always, certainly to me, that it is up to the people to make this decision.

"Thank you."

The following remarks by Representative Saiki, in opposition to the bill, were submitted to the Clerk for insertion into the Journal:

"Mr. Speaker, I rise in opposition to House Bill 2366, House Draft 1.

"The Legislature has been unable to articulate a compelling reason that justifies the State's ban on same-gender marriages. Consideration of H.B. 2366 is a last-minute attempt to prohibit such relationships through a State constitutional amendment. The Legislature should

be aware, however, that such an amendment, if ratified, may not decisively resolve this issue. In 1992, the voters of Colorado approved a state constitutional amendment that precluded state and local government from affording protected status to homosexuals. The Colorado Supreme Court found this amendment to be unconstitutional because it violated the right to equal protection. *Evans v. Romer*, 882 P.2d 1335 (Colo. 1994). This decision is currently under review by the United States Supreme Court.

"Thank you."

The following remarks by Representative Lee, in favor of the bill, were submitted to the Clerk for insertion into the Journal:

"I rise to speak in support of House Bill 2366 which proposes an amendment to the Constitution of the State of Hawaii defining civil marriage as 'the legal association reserved exclusively for the lawful union of a man and a woman.'

"I oppose same-sex marriage.

"Two years ago, in 1994, I took the same position and supported House Bill 2312 that the government recognizes marriage of a man and a woman. House Bill 2312 became law -- Act 217.

"My position is not based on a fear that the Supreme Court will legalize same-sex marriage. There is compelling state reason against such an action.

"Utah has passed a law, and California will do so, refusing to accept the validity of same-sex marriage from Hawaii.

"Hawaii cannot afford to violate the interstate comity on the recognition of contracts. Hawaii cannot legislate for other states by instituting same-sex marriage.

"The constitutional amendment defining marriage as heterosexual stands on its own merits.

"A domestic partnership should also stand on its own merits. It is a contract valid only in Hawaii and will not call into question the comity on contracts.

"I will conclude by asking the Speaker that my statement in 1994, supporting House Bill 2312, be entered into the Journal as a re-affirmation of my position today in 1996."

#### **STATEMENT BY REPRESENTATIVE SAM LEE REGARDING HOUSE BILL 2312 - MARRIAGE FEBRUARY 4, 1994**

"I am voting for House Bill 2312 with reservations.

"House Bill 2312 states that the government recognizes marriage between a man and a woman. I support that.

"The bill does not recognize a marriage between two persons of the same sex.

"Marriage is not an institution created by the State. Marriage is a union between two persons who have made a commitment to each other.

"Marriage began in prehistoric times on such a basis. Such a union was solidly grounded in economics. There was a clear division of economic functions. The man was the hunter and the farmer. The woman was the cook, nurse, and manager of the house.

"Today, those roles can be reversed.

"Customary or tribal law and the growth of religion contributed to the institution of marriage. The final recognition came from the State which conferred political and economic and civil benefits -- ranging from tax deductions to suffrage for women.

"Yet the principle of mutual commitment by two persons has endured, and the State does continue to recognize common-law marriages.

"The State's interest in marriage is not procreation. Indeed, the 'biological possibility' has been demonstrated by two women partners. The State's interest lies in protecting and promoting the health and welfare of a man and a woman and their children.

"Stability of personal relations is a State interest. It is far better for the State that children be born in wedlock and nurtured in a family in a stable and long-lasting family situation.

"The State assists by providing economic and health and other benefits.

"It is time for the State to take the same attitude for the health and welfare of those of the same sex. House Bill 3647 proposes a partnership law to that end.

"A partnership is not marriage in the eyes of the law, but it would provide equal treatment.

"I urge the Judiciary Committee to hear House Bill 3647 and pass it out."

At 8:36 o'clock p.m., Representative Hamakawa asked for a recess and the Chair declared a recess, subject to the call of the Chair.

Upon reconvening at 8:38 o'clock p.m., the motion was put by the Chair and carried, and H.B. No. 2366, HD 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO THE CONSTITUTION OF THE STATE OF HAWAII DEFINING MARRIAGE IN THE STATE OF HAWAII," having been read throughout, passed Third Reading by a vote of 37 ayes to 14 noes, with Representatives Anderson, Case, Chun Oakland, Garcia, Hamakawa, Hiraki, Nekoba, Pepper, Saiki, Shon, Takai, Takamine, Takumi and Tarnas voting no.

The Chair directed the Clerk to note that H.B. No. 2366 had passed Third Reading at 8:40 o'clock p.m.

#### STANDING COMMITTEE REPORTS

Representative Say, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 895-96) recommending that H.B. No. 3300 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3300, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS BUDGET," 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. 896-96) recommending that H.B. No. 3650, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3650, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," 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. 897-96) recommending that H.B. No. 2800, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 2800, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE BUDGET," passed Second Reading and was placed on the calendar for Third Reading.

At 8:41 o'clock p.m., Representative Takai asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 8:43 o'clock p.m.

#### MATTERS DEFERRED TO THE END OF THE CALENDAR

**Stand. Com. Rep. No. 708-96 and H.B. No. 2647, HD 1:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 2647, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

"Mainly for three reasons. One is that this is the third year that we've had this bill. There are 37 other states having prescriptive authority given to optometrists and in none of these testimonies have I found that those who are against this bill have found one single incident from 37 states. Actually there are other variations to this optometrist bill, but there have not been one incident produced by those opponents of this bill to show that this puts the health and safety of our people in jeopardy because we have given prescriptive authority to the optometrists.

"Secondly, in the military, I found much to my surprise that the military have optometrists treating patients who are referred to them. It seems to me that while they're in the military, they can administer certain drugs at examinations on the patients, but when they get out of the military, as in the case of Hawaii, they can no longer do that. And I was just wondering why the double standard in terms of certification and standards of practices that have been going on, when the military has been doing this for years and years throughout the world.

"Finally, the Board of Optometry can easily determine who can be certified to administer the drugs under the provisions of this bill. I think that the opponents of this bill have historically been hostile to health providers even though many health providers have been appropriate and legitimate referrals and which have been beneficial to the people in the State of Hawaii.

"And all I'm asking is this -- that as the hardworking Chair of this committee take this to conference, that

perhaps we could still look at trying to put optometrists into this so that we belong to the rest of this country.

"Thank you very much."

The following remarks by Representative Case, in opposition to the bill, were submitted to the Clerk for insertion into the Journal:

"Mr. Speaker, I rise to speak in opposition to House Bill 2647, HD 1, relating to optometrists.

"Mr. Speaker, this bill, which would authorize a broader scope of practice for optometrists, was passed by this body in this form last year. I opposed that bill for the reasons set forth in my floor speech of March 7, 1995.

"I have listened carefully to the further testimony this year and can find no change in circumstances which would justify altering my vote. I must therefore regretfully oppose the proposal in its current form for the same reasons described last year.

"Thank you."

Representative Swain then rose and requested the Clerk to register an aye with reservations for him, and the Chair "so ordered."

Representative McMurdo then rose and requested the Clerk to register an aye with reservations for her, and the Chair "so ordered."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2647, HD 1, entitled: "A BILL FOR AN ACT RELATING TO OPTOMETRY," having been read throughout, passed Third Reading by a vote of 47 ayes to 4 noes, with Representatives Case, Halford, Thielen and Ward voting no. (Representatives McMurdo and Swain voted aye with reservations.)

The Chair directed the Clerk to note that H.B. No. 2647 had passed Third Reading at 8:47 o'clock p.m.

**Stand. Com. Rep. No. 816-96 and H.B. No. 2575, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 2575, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Swain rose and requested the Clerk to register an aye with reservations for him, and the Chair "so ordered."

Representative Garcia then rose and requested the Clerk to register an aye with reservations for him, and the Chair "so ordered."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2575, HD 2, entitled: "A BILL FOR AN ACT RELATING TO OPTICIANS," having been read throughout, passed Third Reading by a vote of 27 ayes to 24 noes, with Representatives Anderson, Case, Chang, Halford, Hamakawa, Isbell, Ito, Jones, Kahikina, Kanoho, Kawakami, Lee, Marumoto, Meyer, Nekoba, Saiki, Santiago, Suzuki, Takai, Takumi, Tarnas, Thielen, Ward and Yamane voting no. (Representatives Garcia and Swain voted aye with reservations.)

The Chair directed the Clerk to note that H.B. No. 2575 had passed Third Reading at 8:50 o'clock p.m.

**Stand. Com. Rep. No. 823-96 and H.B. No. 3604, HD 1:**

On motion by Representative Okamura, seconded by Representative Amaral and carried, Stand. Com. Rep. No. 823-96 and H.B. No. 3604, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF LAND AND NATURAL RESOURCES," were recommitted to the Committee on Water and Land Use Planning.

**Stand. Com. Rep. No. 869-96 and H.B. No. 3302, HD 1:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 3302, HD 1, having been read throughout, pass Third Reading, seconded by Representative Thielen.

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

Representative Marumoto's remarks are as follows:

"Mr. Speaker, I rise to express my reservations on this measure.

"The proposal would delete from the Constitution the excess revenues refund provision when and only when the the State general fund balance at the close of each of two successive fiscal years exceeds five percent of the general fund revenues for each of the two fiscal years.

"This refund allows the Legislature a great deal of flexibility. It has worked well for 18 years. We can rebate \$1 or \$125, or whatever.

"This provision works in tandem with the general fund expenditure ceiling. The amount of money over and above the expenditure ceiling is the surplus and it is from this amount that the Legislature can determine the size of the refund, if any.

"The refund and expenditure ceiling came out of the same committee in the 1978 Con Con. The committee report, in recommending this proposal, mentions three favorable features:

- (1) It does not specify the amount of surplus to be refunded;
- (2) It permits the Legislature to determine the most efficient and economical form of such rebate; and
- (3) It complements the state spending limit.

"If we get rid of the refund, what's next? The spending ceiling?

"The Tax Foundation points out that the refund brings to the attention of the public and to the Legislature, the spending ceiling amount and the size of the surplus. It is a useful tool for accountability and makes us aware of state finances.

"We should keep this amendment, Mr. Speaker."

Representative Kawanakoa then rose and stated:

"My concerns are still that I am opposed to this particular bill because it substantially reduces the amount of money that would be going back to the taxpayers if they overpaid the government. I am also concerned that

our government should be able to run more efficiently in the future which we're all hoping for and, therefore, we will have a surplus perhaps at the end of the year, or two years in a row, and why should those dollars go back to our loyal taxpayers? We must remember that the taxpayers are obligated to pay a certain amount of dollars every year and no more than what is required. So, if we do make a mistake and we overcharge our taxpayers via too many taxes, increases of fees and otherwise, then we should return the money our taxpayers.

"I also note the arguments with regard to a 'rainy day' fund is not a sound argument. I believe we have some 109 special funds already. I think the fact that we, in past years, have sufficiently taken money out of the general fund in order to avoid this constitutional provision. I don't see why we can't continue to do it. I would suggest that we don't continue to obviate the Constitution by creating another special fund and funding it infinitum.

"I understand that the 'rainy day' fund which was one of the purported reasons to require this constitutional amendment calls for only a maximum cap of 5 percent. What happens if we have 15 percent surplus? I believe we have had in past years. Only 5 percent of that surplus can go into the 'rainy day' fund. What's going to happen to the other 10 percent? I would suggest that in keeping with our constituents' desires to return that substantial amount of money back to the taxpayers.

"These are my concerns and I think I covered them adequately.

"Thank you, Mr. Speaker."

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

"Mr. Speaker, in times of fiscal austerity, we may slightly exceed the threshold, yet still be struggling with balancing the long-term finances of the State, including cuts in programs or services. Allowing nearly one million dollars to be used for the retention of these services is preferable to giving each taxpayer a one dollar rebate. The retention of these excess revenues could be used to build up a 'rainy day' fund which would help balance our budget when economic times are tough.

"In response to the Minority member's concern that in times when the excess is beyond 5 percent, elimination of the constitutional mandate does not preclude the legislative prerogative to authorize a refund. This proposal is only to offer this amendment to the voters to allow them to decide.

"Thank you."

Representative Kawanakoa then rose and stated:

"Basically I believe this is a constitutional matter. The people early decided that they don't want us to necessarily have a discretion, and with all the other important issues before us, it is difficult for our constituents to show up at the voting polls and make these difficult decisions. At the Constitutional Convention, the people decided that they wanted us to return the money if we have it, and I would prefer to hold to the will of the people on this matter.

"Thank you."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3302, HD 1, entitled: "A BILL FOR AN ACT PROPOSING THE REPEAL OF ARTICLE VII, SECTION 6, OF THE CONSTITUTION OF THE STATE OF HAWAII, WHICH

REQUIRES THAT EXCESS REVENUES BE REFUNDED TO TAXPAYERS UNDER CERTAIN CONDITIONS," having been read throughout, passed Third Reading by a vote of 44 ayes to 7 noes, with Representatives Anderson, Halford, Kawanakoa, Lee, Meyer, Thielen and Ward voting no.

The Chair directed the Clerk to note that H.B. No. 3302 had passed Third Reading at 8:57 o'clock p.m.

**Stand. Com. Rep. No. 882-96 and H.B. No. 4096, HD 2:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 4096, HD 2, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Garcia rose and requested the Clerk to register an aye with reservations for him, and the Chair "so ordered."

Representative Garcia continued, saying:

"Mr. Speaker, just a few comments. I have some serious concerns on a matter that I co-sponsored, but with the benefit of having heard the discussion at hearings and upon further research, I still have not resolved the conflict that I have in that I still can't see why the State should involve itself in a matter that I believe the private sector is already moving on. And as I understand it, the other private sector institutions are going to be moving on this as well. I would like to see perhaps what the private sector experience could show us and maybe the private sector could do it better.

"But I will be discussing this with the Labor Department and as this matter moves forward, I will be reviewing my decision again.

"Thank you."

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

"There were some concerns that were raised in terms of whether the department shall not qualify those who do not meet the standards of medical care services and supplies of the plan. I think there's language in there that we need to further review because the language in the bill says that the department shall not qualify, which is kind of clear, but on the same line we put in 'or may disqualify.' In other words, if you had been qualified once or certified, does that mean you can no longer be certified? I think we need to explore that further.

"The other question that is of ambiguity and of concern to some of the members is the nature of confidentiality. I think we need to look at it more. It says: 'No data generated by a coordinated care organization's utilization review, quality assurance, or peer review, or activities relating to evaluation of the efficacy of medical services pursuant to this Act, shall be used in any action, suit, or proceeding, (now here's the language) except to the extent considered necessary by the director in the administration of this Act,' which is the Director of Labor.

"I think we just keep using the language and it's part of many, many other coordinated care organizations adopted in other states. But I think we still need to review this language some more, and perhaps as we do further research, we can perhaps do a better job in strengthening the language to take care of some of the concerns.

"But all in all, this is a really major bill. This is one of the three major components of workers' compensation reform II.

"Mr. Speaker, at this time, I would like to thank the Vice Chair of our committee, Representative Suzuki, and members of the Labor Committee for their hard work, and to the chairs and co-chairs of the respective committees: Chair Ron Menor and Vice Chair Yoshinaga and the members of the Consumer Protection Committee for their excellent work; Chair Tom and Vice Chair White and members of the Judiciary Committee; and also the the Finance Committee Chair Say, Vice Chair Kawakami and members of the Finance Committee.

"I also need to mention, Mr. Speaker, without being called out of line, the hard work that Chairman Say has done for the other bill -- House Bill 4111 -- on the interim work that they have conducted, and the intense briefings of the different departments plus the Ad Hoc Committee and the members of the Finance Committee which actually put this purchases of service contract together, so all in all this has been a total cooperation and inputs from all of these committees so that I think we have before you, Mr. Speaker, a really good bill which is part of three parts for workers' compensation reform II.

"Thank you very much."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 4096, HD 2, entitled: "A BILL FOR AN ACT RELATING TO COORDINATED CARE ORGANIZATIONS," having been read throughout, passed Third Reading by a vote of 44 ayes to 7 noes, with Representatives Hamakawa, Saiki, Santiago, Shon, Takai, Takamine and Tarnas voting no.

The Chair directed the Clerk to note that H.B. No. 4096 had passed Third Reading at 9:03 o'clock p.m.

**Stand. Com. Rep. No. 885-96 and H.B. No. 4131, HD 3:**

Representative Amaral moved that the report of the Committee be adopted and H.B. No. 4131, HD 3, having been read throughout, pass Third Reading, seconded by Representative Thielen.

Representative Santiago rose to speak in favor of the bill, with reservations, stating

"Mr. Speaker, this draft is pretty much identical to the draft that came out of the Judiciary Committee which I have already spoken on, but I do support the bill with some reservations. It is my understanding that another draft has been subsequently put together that will deal with some of the concerns that I have.

"If I may, Mr. Speaker, when I first came to this House six years ago, I sat in the room once with a group of legislators as a freshman, prior to even coming to this body, and I was asked, 'Why do you run for office?' Mr. Speaker, at that time, I thought about the answer for a little bit and I said, 'You know, most of you know I am a social worker. I really wanted to come down here and I wanted to be a voice for the voiceless.' I remember them as I reflected today on the six years of my tenure here in the House, and to be really honest, I am humbled beyond any feeling I've had in my six years. There's been times during my tenure when I have been very proud of being a member of this institution, and there have been times when I have not been very proud of being a member of this institution.

"But I thank you for the leeway you have given me on this bill because what I am reassured of this evening is

that I am very proud of the body. I understand that the chair of the committee, who I disagreed with initially, put a tremendous amount of work into the drafting of this bill. I am also reassured that what's going to come out and what will ultimately happen for the poor, for the voiceless, they will be champions in this House because they are much more capable than I am.

"Thank you, Mr. Speaker."

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

"I also have the concern that I expressed before. The bill that was originally designed by the Chair of the Human Services Committee, in conjunction with so many people from the community, had an umbrella that would have helped everyone. It's been dissected, I think unwisely, in the Judiciary Committee with the two components that I think would have made a big difference for those that aren't going to have a safety net. We would have had a provision in it that would have allowed for work for the disabled. It was a very good scheme, a very good idea, extremely creative and far-reaching, and that was gutted.

"The second thing, there would have been a provision in there providing for a way that we would ensure that parents that were required to pay child support actually would pay that child support, or their licenses would have been revoked. This would have taken single parents off of welfare. Those provisions were gutted also.

"What we have is a less complete bill, but I would rather see the bill go through, and I would hope that somewhere along the process, the far-sightedness of the Chair of Human Services would be allowed to get those provisions back in the bill, and we could move forward with it.

"We are pulling the safety net from a large number of people, Mr. Speaker. You, as a former HPAC worker, and I as a former Legal Aid attorney, know what that's going to mean. I still am just wrenched by the testimony of Legal Aid that by not providing the safety net, we may be putting children as beggars unto our streets. I think that would be appalling. We have a strong duty to avoid that happening and, unfortunately, the gutting that occurred of this wonderful bill may make that a reality, and the blame will rest right here with this body.

"Thank you, Mr. Speaker."

Representative Garcia then rose to speak in support of the bill, with reservations, stating:

"I would also like to commend the work of the Human Services Chair. I stood up and spoke on Second Reading on this matter and for the same kinds of interpretations as expressed by the person to the right of me, but I understand that she has a new draft that she will be taking to conference, as I understand it. I know that with her heart in the right place, that she will do what she can within the bounds of our budget and reason.

"I was upstairs for awhile and I read on the front page of the **Star-Bulletin** this evening about the impact of what we are doing here to the voiceless, as Representative Santiago had mentioned.

"I also want to thank those who are doing what they can in matters related to this measure as well. My thanks go to House Finance Chair Say, and to Chair Arakaki as well, for what they had done and will continue to do with this bill and other related matters.

"Thank you, Mr. Speaker."

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

"Mr. Speaker, I know the hour is late so I am going to shorten my remarks and have most of it placed in the Journal, but I did want to acknowledge the work of Chairman Chun Oakland and also the Vice Chair and the rest of the Human Services Committee, because I think they have done a yeoman work in terms of trying to gather as much input into this bill, starting at the end of last session. And regardless of peoples' views about this bill, their concerns will try to be met as much as possible.

"I think it is important to realize that, you know, just judging from the debate we had on marriage, about developing social policy. It's really difficult; it's not an exact science, but a lot of it depends on people's personality and individuality, and what works for one person may not work for another. I think the key that we have to remember is that we are the policymakers. It is important that we set the policy for the State of Hawaii, and how we want to treat people who are disadvantaged, who are disabled, who are elderly. We are the ones who should do it. We set the resources, we set the policy, and there is going to come a time when the federal government is going to provide us with block grant resources. I think it should be made very clear, even though we don't have the answers right now, that there are certain things that we will not settle less for, that we set the standard of what we want to provide as the basic needs for the people of Hawaii.

"So with that, I hope all of my colleagues would support this bill, and also provide input on how you think we can set up this system to benefit the disadvantaged in Hawaii.

"Thank you, Mr. Speaker."

The motion was put by the Chair and carried, and the report of the Committee was adopted and H.B. No. 4131, HD 3, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," having been read throughout, passed Third Reading by a vote of 50 ayes to 1 no, with Representative Shon voting no.

The Chair directed the Clerk to note that H.B. No. 4131 had passed Third Reading at 9:12 o'clock p.m.

**Stand. Com. Rep. No. 892-96 and H.B. No. 3919, HD 3:**

On motion by Representative Amaral, seconded by Representative Thielen and carried, the report of the Committee was adopted and H.B. No. 3919, HD 3, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION," having been read throughout, passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that H.B. No. 3919 had passed Third Reading at 9:13 o'clock p.m.

**H.B. No. 3741, HD 1:**

On motion by Representative Okamura, seconded by Representative Amaral and carried, H.B. No. 3741, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS," was recommitted to the Committee on Hawaiian Affairs and Housing.

#### INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 78 to 80) and concurrent resolutions (H.C.R. Nos. 73 to 75) were referred to printing and further action was deferred:

H.R. No. 78, entitled: "HOUSE RESOLUTION REQUESTING THE GOVERNOR OF THE STATE OF HAWAII TO ENCOURAGE ALL STATE AGENCIES INVOLVED IN THE CULTIVATION OR MAINTENANCE OF LANDSCAPES OR OTHER TYPES OF VEGETATION TO PURCHASE LOCALLY MANUFACTURED SOIL ENHANCEMENT MATERIALS," was jointly offered by Representatives Tarnas, Case, Chang, Halford, Hamakawa, Herkes, Isbell, Jones, Morihara, M. Oshiro, Swain and Takai.

H.R. No. 79, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO CONVENE A SCHOOL BUS SAFETY TASK FORCE FOR THE ISLAND OF KAUAI," was jointly offered by Representatives Kanohe, Kawakami, Swain, Stegmaier and Hiraki.

H.R. No. 80, entitled: "HOUSE RESOLUTION REQUESTING THE ATTORNEY GENERAL TO ESTABLISH AN ADMINISTRATIVE SYSTEM TO IMPOSE CIVIL FINES ON STATE WORKERS WHO VIOLATE CERTAIN STATE LAWS," was jointly offered by Representatives Suzuki and Say.

H.C.R. No. 73, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE GOVERNOR OF THE STATE OF HAWAII TO ENCOURAGE ALL STATE AGENCIES INVOLVED IN THE CULTIVATION OR MAINTENANCE OF LANDSCAPES OR OTHER TYPES OF VEGETATION TO PURCHASE LOCALLY MANUFACTURED SOIL ENHANCEMENT MATERIALS," was jointly offered by Representatives Tarnas, Case, Chang, Halford, Hamakawa, Herkes, Isbell, Jones, Morihara, M. Oshiro, Swain and Takai.

H.C.R. No. 74, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO CONVENE A SCHOOL BUS SAFETY TASK FORCE FOR THE ISLAND OF KAUAI," was jointly offered by Representatives Kanohe, Kawakami, Swain, Stegmaier and Hiraki.

H.C.R. No. 75, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE ATTORNEY GENERAL TO ESTABLISH AN ADMINISTRATIVE SYSTEM TO IMPOSE CIVIL FINES ON STATE WORKERS WHO VIOLATE CERTAIN STATE LAWS," was jointly offered by Representatives Suzuki and Say.

#### HOUSE COMMUNICATIONS

The following House communications were read by the Clerk and were placed on file:

A communication, dated March 5, 1996, from Patricia Mau-Shimizu, Chief Clerk of the House of Representatives, to the Honorable Benjamin J. Cayetano, Governor of the State of Hawaii, giving notice of the final form of House Bill No. 593, HD 1, entitled: "PROPOSING AN AMENDMENT TO ARTICLE X, SECTION 2, OF THE HAWAII CONSTITUTION, TO ALLOW THE STUDENT MEMBER OF THE BOARD OF EDUCATION TO VOTE," in accordance with the provisions of Article XVII, Section 3 of the Hawaii State Constitution.

A communication, dated March 5, 1996, from Patricia Mau-Shimizu, Chief Clerk of the House of Representatives, to the Honorable Benjamin J. Cayetano,



Governor of the State of Hawaii, giving notice of the final form of House Bill No. 3619, HD 1, entitled: "RELATING TO APPROPRIATIONS AND CONTRACTS," in accordance with the provisions of Article XVII, Section 3 of the Hawaii State Constitution.

A communication, dated March 5, 1996, from Patricia Mau-Shimizu, Chief Clerk of the House of Representatives, to the Honorable Benjamin J. Cayetano, Governor of the State of Hawaii, giving notice of the final form of House Bill No. 3145, entitled: "PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 10, OF THE CONSTITUTION OF THE STATE OF HAWAII TO FORMALLY REFER TO THE AUDITOR AS THE LEGISLATIVE AUDITOR," in accordance with the provisions of Article XVII, Section 3 of the Hawaii State Constitution.

A communication, dated March 5, 1996, from Patricia Mau-Shimizu, Chief Clerk of the House of Representatives, to the Honorable Benjamin J. Cayetano, Governor of the State of Hawaii, giving notice of the final form of House Bill No. 3302, HD 1, entitled: "PROPOSING THE REPEAL OF ARTICLE VII, SECTION 6, OF THE CONSTITUTION OF THE STATE OF HAWAII, WHICH REQUIRES THAT EXCESS REVENUES BE REFUNDED TO TAXPAYERS UNDER CERTAIN CONDITIONS," in accordance with the provisions of Article XVII, Section 3 of the Hawaii State Constitution.

A communication, dated March 5, 1996, from Patricia Mau-Shimizu, Chief Clerk of the House of Representatives, to the Honorable Benjamin J. Cayetano, Governor of the State of Hawaii, giving notice of the final form of House Bill No. 4144, HD 1, entitled: "PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 12, OF THE HAWAII CONSTITUTION, TO ALLOW THE USE OF SPECIAL PURPOSE REVENUE BONDS FOR THE HAWAII HURRICANE RELIEF FUND," in accordance with the provisions of Article XVII, Section 3 of the Hawaii State Constitution.

#### ANNOUNCEMENTS

Representative Thielen: "Tomorrow, we will have a Minority caucus at 2:00 p.m. in the Minority Caucus Room."

Representative Okamura: "There will be a Majority caucus at 11:00 a.m. on Thursday in the Majority Caucus Room."

#### ADJOURNMENT

At 9:15 o'clock p.m., on motion by Representative Amaral, seconded by Representative Thielen and carried, the House of Representatives adjourned until 11:30 o'clock a.m. on Thursday, March 7, 1996.