

TWENTY-FIRST DAY

Friday, February 17, 2006

The House of Representatives of the Twenty-Third Legislature of the State of Hawaii, Regular Session of 2006, convened at 12:05 o'clock p.m., with the Speaker presiding.

The invocation was delivered by Speaker Emeritus Joseph M. Souki, after which the Roll was called showing all members present with the exception of Representatives Chong, Kanoho, Karamatsu, Takamine and Takumi, who were excused.

By unanimous consent, reading and approval of the Journal of the House of Representatives of the Twentieth Day was deferred.

GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 237 and 238) were received and announced by the Clerk and were placed on file:

Gov. Msg. No. 237, dated February 15, 2006, transmitting the Comprehensive Annual Financial Report of the State of Hawaii for fiscal year ended June 30, 2005, prepared by the Comptroller.

Gov. Msg. No. 238, dated February 8, 2006, transmitting the 2005 Report of the Commission to Promote Uniform Legislation of the Department of the Attorney General.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 7 and 8) were received and announced by the Clerk:

Sen. Com. No. 7, transmitting S.B. No. 2092, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PLANNED COMMUNITY ASSOCIATIONS," which passed Third Reading in the Senate on February 16, 2006.

Sen. Com. No. 8, transmitting S.B. No. 2193, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PLANNED COMMUNITY ASSOCIATIONS," which passed Third Reading in the Senate on February 16, 2006.

On motion by Representative B. Oshiro seconded by Representative Meyer and carried, the following Senate bills passed First Reading by title and further action was deferred: (Representatives Chong, Karamatsu, Takamine and Takumi were excused.)

S.B. No. 2092, SD 1

S.B. No. 2193, SD 1

INTRODUCTIONS

The following introductions were made to the members of the House:

Representative Harbin introduced Dr. Loretta Reid of Chicago, mother of Mr. Paul Reid of the House Sergeant-at-Arms Office. She was accompanied by her sister, Ms. Delores Crismon, and grand-niece Camile, also from Chicago, Illinois.

Representative Harbin also introduced students from McKinley High School: Janice, Odlast, Stanley, James and Richard. They were accompanied by their teacher, Ms. Joyce Tashiro.

Representative Meyer introduced her friend, Ms. Donna Kidner of Phoenix, Arizona. She was accompanied by her friends, Ms. Susan Fix and Ms. Suzanne Rogers of Denver, Colorado.

At 12:17 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 1:33 o'clock p.m.

ORDER OF THE DAY

COMMITTEE ASSIGNMENTS

The following concurrent resolutions (H.C.R. Nos. 3 through 22) and resolutions (H.R. Nos. 2 through 15) were referred to committee by the Speaker:

H.C.R.Nos.Referred to:

- | | |
|----|---|
| 3 | Jointly to the Committee on Hawaiian Affairs and the Committee on Housing, then to the Committee on Finance |
| 4 | Jointly to the Committee on Hawaiian Affairs and the Committee on Housing, then to the Committee on Finance |
| 5 | Jointly to the Committee on Hawaiian Affairs and the Committee on Housing, then to the Committee on Finance |
| 6 | Jointly to the Committee on International Affairs and the Committee on Economic Development & Business Concerns, then to the Committee on Finance |
| 7 | Committee on Health |
| 8 | Committee on Human Services |
| 9 | Committee on Education |
| 10 | Jointly to the Committee on Hawaiian Affairs and the Committee on Water, Land, & Ocean Resources |
| 11 | Jointly to the Committee on Energy & Environmental Protection and the Committee on Agriculture, then to the Committee on Finance |
| 12 | Jointly to the Committee on Energy & Environmental Protection and the Committee on Agriculture |
| 13 | Committee on Water, Land, & Ocean Resources, then to the Committee on Finance |
| 14 | Committee on Water, Land, & Ocean Resources, then to the Committee on Finance |
| 15 | Committee on Public Safety & Military Affairs |
| 16 | Committee on Labor & Public Employment |
| 17 | Committee on Health |
| 18 | Committee on Finance |
| 19 | Jointly to the Committee on Transportation and the Committee on Public Safety & Military Affairs |
| 20 | Committee on Education, then to the Committee on Finance |

- 21 Committee on Consumer Protection & Commerce,
then to the Committee on Finance
- 22 Committee on Health, then to the Committee on
Higher Education

At this time, the Chair announced:

"Members, at this time, which is 1:35, we will start the discussion by taking up Standing Committee Report No. 630-06 on page 30. Once more, at this time, we will be taking up Standing Committee Report No. 630-06 on page 30, so that Members of our house will be able to leave for their trips home."

H.R.
Nos.

Referred to:

- 2 Jointly to the Committee on Hawaiian Affairs and the
Committee on Housing, then to the Committee on
Finance
- 3 Jointly to the Committee on Hawaiian Affairs and the
Committee on Housing, then to the Committee on
Finance
- 4 Jointly to the Committee on Hawaiian Affairs and the
Committee on Housing, then to the Committee on
Finance
- 5 Jointly to the Committee on Hawaiian Affairs and the
Committee on Housing, then to the Committee on
Finance
- 6 Committee on Health
- 7 Committee on Water, Land, & Ocean Resources
- 8 Jointly to the Committee on Energy & Environmental
Protection and the Committee on Agriculture
- 9 Committee on Public Safety & Military Affairs
- 10 Committee on Finance
- 11 Jointly to the Committee on Transportation and the
Committee on Public Safety & Military Affairs
- 12 Committee on Education, then to the Committee on
Finance
- 13 Committee on Human Services
- 14 Committee on Water, Land, & Ocean Resources
- 15 Committee on Health, then to the Committee on
Higher Education

STANDING COMMITTEE REPORTS

Representative Karamatsu, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 630-06) recommending that H.B. No. 1368, as amended in HD 1, be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1368, HD 1, be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Stonebraker rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Thielen rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. Mr. Speaker, I'm rising to speak against this bill and to cast a very definite no against this bill. Thank you. Mr. Speaker, this bill has been called the 'Hokulia fix'. It is extremely unfortunate that the proponents of fixing the Hokulia development have incited hysteria within this Chamber. Some of the people, some of the Members in the Chamber have bought into this hysteria, that unless we go ahead with the 'Hokulia fix', people such as Mayor Kim will be booted off the land or be forced to plant an agricultural crop on his property. Nothing could be further from the truth.

"And what the bill does, obviously it was drafted by the lawyers or at least with input from the lawyers and lobbyists for the 'Hokulia fix'. The bill sets up this scenario that invites Members in this Chamber to buy into this bill. It starts out: 'The purpose of this Act is to end damaging controversy over the legality of thousands of homes and lots located on agricultural lands throughout this State.' Well that's flatly wrong, Mr. Speaker.

"And then the bill goes on: 'This Act is necessary to protect the substantial investments of the owners of these homes and lots; these thousands of homes and lots ... to protect the counties and others against legal claims that may be asserted if those investments are devalued or lost.' That's absolutely false too, Mr. Speaker.

"And then it goes on to talk about the court decision in the Hokulia case. And it says: 'The reasoning of the decision if applied throughout the agricultural district would invalidate thousands of lots and subdivisions and make it illegal for people to live in thousands of homes already built.' Mr. Speaker, this is called 'setting up a straw man'. And then you go shoot it down. Then you go draft a bill that legalizes these thousands of homes. But the real fix is to legalize the Hokulia development.

"Mr. Speaker, the existing homes that are there are not at risk. There's absolutely no evidence that anyone is going to sue the Harry Kims on the Big Island. Buyers in mature subdivisions did not have notice. They bought without actual knowledge of the law, and they have multiple defenses. That would mean any lawsuit that would be brought against the Harry Kims would be thrown out on its ear. Any plaintiff or plaintiff group that tried that would be wasting their time and wasting their money. Laches would apply.

"With the plaintiffs, alleged plaintiffs, that might appear, if they knew about it, they should have sued decades ago. And they didn't. These were *bona fide* purchasers in equity. Equity would not allow a

COMMITTEE REASSIGNMENT

The following bill was re-referred to committee by the Speaker:

H.B.
No.

Re-referred to:

- 1930 Committee on Water, Land, & Ocean Resources

At 1:33 o'clock p.m., Representative M. Oshiro requested a recess, and the Chair declared a recess subject to the call of the Chair.

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

At 1:34 o'clock p.m., Representative Takai requested a recess, and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 1:35 o'clock p.m.

judge to take the Harry Kims out of their homes in a mature subdivision.

"Now let's contrast it with the Hokulia. Let's contrast it with what the developers actually knew. Let's contrast it with what the buyers knew, when they knew from the HUD disclosure statement in the CC&Rs. According to the Court's ruling, Oceanside had express notice in 1994 that its proposed development, the Hokulia, did not comply with governing State land use laws which preempted any apparent County authority for residential residences on agricultural land. What we're talking here is this State law that preempted what the County did and what those developers did. What we're talking about today is overturning our State law to satisfy these scofflaw developers, the Hokulia developers. This is not about the Harry Kims. They are not at risk. And anyone that bought in to that hysteria should really go back and talk to the people that know about the legal ..."

Representative Pine rose to yield her time, and the Chair, "so ordered."

Representative Thielen continued, stating:

"Thank you, Representative. Go back and talk to the lawyers that know this case inside and out. We're talking simply about the Hokulia. And the trial court did not rule that a subdivision creating one-acre agricultural lots had to go to the Land Use Commission for reclassification to urban. Instead, what the trial court ruled was that a gated luxury resort residential subdivision consisting of 730 residential lots surrounded by a golf course, clubhouse, dining facilities, beach clubs, spa, and a hotel, which is supposedly a guest lodge, is not agricultural. You know that. I know that. And anyone that has looked at this case and looked at the record knows that. The court said, it is not agricultural and such a project can only proceed in the urban district. Who in their right mind sitting in this Chamber can argue that this is agricultural?"

"So what are you asking today, by proposing that this bill be passed? You're asking for us to fix the Hokulia problem, claiming that we must do it to help the Harry Kims. Well you know in your hearts that's wrong. The Harry Kims are not at risk and you know that. The Hokulia is and it deserves to be, because its developers were told by their attorneys that they needed to go to the Land Use Commission. So what this Body is doing today with your vote, anyone that votes in favor, or with a wimpy yes with a WR, what you're doing is to say, okay we'll fix the Hokulia and we'll ignore what our long-standing law has provided to protect our agricultural lands. I would hope you'd have the guts to stand up and vote no. And I would hope certainly, on the other side of this aisle, that we would have a majority of you standing up to vote no on this bill, Mr. Speaker. It's a travesty. And it's an embarrassment. And it's wrong. Thank you."

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

"I have the guts to stand up and say, yes. You want to talk about Hokulia. Let's talk about Hokulia. The former Director of the State Land Use Commission, under oath, at the trial said that she advised the developers, not once but twice, that they did not need LUC approval for this development.

"But let me talk about it. This is my district. I've lived and worked in Kona since 1955. These are my people and I know them. They want this settled. I listen to the *kupuna* in my district. I listen to the Billy Parises, who can trace his ancestry back to the ruling Chiefs of Manukaa, and he wants this settled. He wants this development. I listened to Herb Kane, who's pretty upset about it and he wants this settled. He wants this development. I listened to Henry Cho. I listened to Tommy Hickok. I listened to the people in my district. They want it settled.

"Look at my district. My district has over 500,000 acres of conservation land. My district has over 440,000 acres of agricultural land. 98% of my people live on ag land, whether they're farmers or not, and most of them are not. It's because as a government, whether it's State or county, we've never had the guts to change our land use laws. Get some rural classifications. Get some urban classifications.

"In this district of mine that is bigger than Oahu, I don't have a single spot on here that's rural. If you can imagine, if you can imagine that South Kona and Ka'u has no rural land. We have a couple of dots of urban. Fortunately I live on one of them. My purpose for supporting this really is to support the people that sent me here. Thank you."

Representative Hale rose to speak in opposition to the measure, stating:

"Mr. Speaker. Mr. Speaker, I would like to strong vote of no. I would like to say that I'm probably the only one here that was on the County Council when that development was first developed. And at that time to me, if they were going to do all of the things that they promised to do, they should have done them first. But all this time, they have not finished the road they promised. They have desecrated the ocean, and the Hawaiian artifacts.

"I'm sorry this makes me so excited that it really makes it very difficult for me to speak. But I would like the words of the Representative from Kaneohe [Kailua], or where are you from? I would like to strongly support her arguments. I also would like to have things added to the Journal. But I will tell you that all these people ever had to do was, in the beginning, was to go to ... The judge told them go to the Land Use Commission and get it zoned properly.

"I have my home on an agricultural one acre non-ag, except for what I have in my yard. I may lose, but to me the importance is not to let Hawaii become the millionaires' and billionaires' gated communities that have now gone into the South Kona area. And although I do not represent that area any longer, I did live in South Kona for the first 15 years before I moved to Hilo, and now I represent another area. I don't want to see this kind of development.

"This is a judicial problem. It's not something we should be solving here. We have the three divisions, Executive, Legislative, and Judicial. And the Judicial has said you have got to go to the Land Use Commission. And right now it's before the Supreme Court, if that is the right position. But we have no business going in to try to have special bills to help one developer. Thank you."

Representative Hale's written remarks are as follows:

"Mr. Speaker, I stand in firm opposition to HB 1368, HD1.

"Two-week Men

When I was the Executive Officer of Hawaii County back in the '50's, there would always be these suave Mainlanders with suede shoes and big ideas for developments out deep in the country. In those days, no sane local would go and live out there, without electricity and water. But these were big ideas and big projects with big promises of needed infrastructure improvements: roads, water lines, you name it. They were enticing offers for a County then ravaged by a tsunami with an economy teetering on collapse.

"But before they would begin, they always wanted something first. Tax breaks, fast-tracked approval, assurances. They always wanted something big from the local taxpayers in return. I wouldn't give any promises and they would tell me that they would be back in "two weeks." They never returned and from those days on, I always referred to them as the "two-week men."

"Yamashiro and Hokulia

Going forward several decades, I was on the County Council when the "two-week men" of Hokulia came to the Big Island with their big

ideas and big projects and big promises. They called themselves Red Hill 1250 then. It was the same game. They promised to build a needed by-pass road, but only with assurances from the County government. I asked them why not build the road first and then we will follow through. I wanted no empty promises like all the other "two-week men" before them. But they would not agree because they needed to sell the land first before they could build.

"Call it like it is; Hokulia is land speculation. It's a scheme. And they needed the assistance of the County government to pull it off. Unfortunately, the mayor then, Steve Yamashiro, was a willing accomplice and fast-tracked the development through the County.

"We Need the LUC"

Of course, that is why we have a two-tiered land-use approval process with the County governments on one hand, and the Land Use Commission on the other. The number one reason why we have this two-tiered system is to keep our open spaces, open. We don't want suburban sprawl. Why? Because we value open spaces; because we value the rural lifestyle that accompanies it; because we value Hawaii agriculture; because we value sacred Hawaiian lands; because tourist don't come here out to the neighbor islands from Waikiki to see suburban sprawl! If they wanted to see suburban sprawl, they could just drive a couple miles out of Chicago or San Antonio or San Francisco.

"That is why we have State laws and a State Land Use Commission. We have it so that when we decide to irreversibly develop our open agricultural lands, we do it with much thought and we do it right.

"Suing Puna Homesteaders?"

Now the Hokulia "two-week men" have a media campaign scaring everyone living out in the countryside like myself and my neighbors and friends in Puna of imminent lawsuits for improper land use. To this I say:

-We are not big business land speculators bent on getting rich selling hundreds of multi-million dollar snow-bird homes;

-We do not get our County to hold our hand and fast-track our permits and assure us that they will take care of all the government red tape for us;

-We do not knowingly and viciously desecrate ancient Hawaiian burials;

-We do not disregard conservation officials and dismember ancient Hawaiian trails;

-We do not allow millions of tons of run-off to blanket a pristine State marine life conservation district and historical park, killing the coral reefs;

-We do not try to bribe government officials to get our way;

-And we do not think that we are above the Law.

"Eroding the Law"

With this bill we are allowing some stubborn "two-week men" to knowingly and maliciously circumvent State Law. All Judge Ibarra said was that there is State Law and the Land Use Commission and that the "two-week men" just needed to follow the State Law and get the final approval from the Commission. But we are going to happily allow them to not follow our own Laws and processes? In essence, we are happily eroding our own authority.

"Acting as a Court onto Ourselves"

Furthermore, we are taking a case that is currently before our State Supreme Court and acting as a court onto ourselves. Article I, Section 10 of our United States Constitution explicitly forbids this stating: "No State shall...pass any Bill of Attainder." This Bill of Attainder clause is the precise implementation of the separation of

powers, a general safeguard against legislative exercise of the judicial function or more simply- trial by legislature.

"James Madison once wrote a Federalist paper on this matter. "Bills of Attainder..." he wrote. "are contrary to the first principles of the social contract, and to every principle of sound legislation... The sober people of America are weary of the fluctuating policy which has directed the public councils. They have seen with regret and indignation that sudden changes and legislative interferences (*sic*), in cases affecting personal rights, become jobs in the hands of enterprising and influential speculators, and snares to the more-industrious and less-informed part of the community."

"Vote for Inequality"

Mr. Speaker, what we are saying by voting for this measure is that we are in the hands of enterprising and influential speculators, "two-week men!" We are ourselves circumventing Constitutional mandate and precedence to give them the nod to disobey a permitting process set forth in State Law. We have taken a good bill and messed it up by inserting this bad bill, and I think that this is wrong.

"And most unfortunately, we are sending a message out to everyone in the State of Hawaii that if you have enough money, you can cajole the government to allow you to exist above the Law. In essence, we are voting for Inequality in our society. Most unfortunately, indeed."

Representative Morita rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, rise in opposition to this bill. Mr. Speaker, let's be real clear on the purpose of this bill. The motivation for this bill is the desire of a developer who wishes to avoid a court's order. Prior to development, the developer could have complied with the law and was advised to do so by his attorneys and government agencies, and that is going to the Land Use Commission. But he didn't.

"Now a judge has ordered the developer to follow the law and land use process. Instead the developer is asking us to change the law for him. This is not a state of emergency and the thousand of homes described in this bill will not be declared illegal.

"Our good citizens and law-abiding developers can rely on the doctrine of equitable estoppel to protect their investment and simply put this developer cannot.

"In the County of Kauai v. Pacific Standard Life Insurance Company with the Committee to Save Nukoli as an appellant, finding in favor of the appellant, the Hawaii Supreme Court said and I quote, "When a property owner has actually proceeded towards development pursuant to an existing zoning the initial inquiry in determining whether his development rights have been vested is whether his actions constituting irrevocable commitments were reasonably made or were merely speculative business risk."

"I believe the developer in this instance proceeded on a speculative business risk when he ignored the advice of his counsel and government agencies and failed to obtain the Land Use Commission's necessary approval. Judge Ibarra affirmed this in his findings.

"The most important testimony yesterday was from the Executive Officer of the Land Use Commission, Anthony Ching. He said, 'I believe Section 1 of this proposal contains inaccuracies and is ill-advised. I believe that Section 2 of this proposal is technically flawed, confused, and ultimately counterproductive. In lieu of trying to address a multi-faceted need for update and reform of the land use law by considering a very narrow proposal such as this before you today, I would propose that emphasis is instead placed on proposals arising from Act 183 Session Laws of 2005, Act 205 Session Laws of 2005, and as described in House Bill 1938, House Draft 1.'

"He says, 'Section 1 notes the wide application of a recent trial court decision is suppose to, quote, 'invalidate thousands of lots in agricultural districts.' And he quotes, '... make it illegal for people to live in thousands of homes already built.' As the trial court rulings only applies to specific lots in that action, I believe it is premature for anyone to assert that lots in subdivision outside of the scope of the trial action are automatically invalidated solely on the basis of that it involves one acre lots.'

"I mean, I urge my colleagues, in the interest of time, to read the LUC's testimony in this case. I also believe what we're doing is premature. You know if this, after the court's decision, after the court's the judicial process is finalized and we see that a problem has occurred, then I think it's right for us to take action. But anything we do now is premature. Thank you. And Mr. Speaker, I'd like to submit the LUC testimony for the record," and the Chair "so ordered."

Representative Morita submitted the following testimony:



Statement of
ANTHONY J. H. CHING
 Executive Officer
 LAND USE COMMISSION
 Department of Business, Economic Development, and Tourism
 before the
Committee on Economic Development & Business Concerns
 February 16, 2006
 9:00 a.m.
 State Capitol, Conference Room 325
 in consideration of
HB 1368 HD 1
RELATING TO LAND USE.

- 1 **Purpose.** Address the legality of homes and lots approved for development by the
- 2 county and/or constructed on lands within the State Land Use (SLU) Agricultural
- 3 District.
- 4 **LUC Position.** I believe that section 1 of this proposal contains inaccuracies and is ill
- 5 advised. I believe that section 2 of the proposal is technically flawed, confused and
- 6 ultimately counter productive. In lieu of trying to address a multi-faceted need for
- 7 update and reform of the Land Use Law by considering a very narrow proposal such as
- 8 before you today, I would propose that emphasis is instead placed on proposals arising
- 9 from Act 183 SLH 2005, Act 205 SLH 2005 and as described in HB 1938 HD1.
- 10 **Section 1 Inaccuracies.** Section 1 notes that wide application of a recent trial court
- 11 decision is supposed to "invalidate thousands of lots in agricultural subdivisions" and

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- 1 "make it illegal for people to live in thousands of homes already built". As the trial
- 2 court's ruling only applies to specific lots in that action, I believe that it is premature for
- 3 anyone to assert that lots and subdivision outside of the scope of that trial action are
- 4 automatically invalidated solely on the basis of that it involves a one acre lot.

- 5 I also believe that notwithstanding narrative contained in section 1 of this
- 6 proposal, individual counties have routinely required that applicants for building
- 7 permits within the SLU Agricultural District acknowledge the farm dwelling
- 8 requirement contained in the State Land Use Law. Except where individuals
- 9 purposefully choose to ignore this county-enforceable requirement, I again do not
- 10 believe that the trial court's ruling would automatically deprive agricultural lot owners
- 11 of the right to occupy homes which have already been constructed.

- 12 Section 1 also asserts that the "trial court decision also brings into question the
- 13 counties' authority under section 205-5(b), Hawaii Revised Statutes, to define allowable
- 14 accessory agricultural uses". However, as the definitions section of the Land Use Law
- 15 clearly distinguishes between farm dwelling and single family dwellings, I do not
- 16 believe that the county authority to define accessory uses would allow individual
- 17 counties to establish single family dwellings as an allowed accessory use.

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- 1 I also believe that it is ill advised and likely inaccurate for the Legislature to
- 2 assert that individual counties might have historically been engaged in an illegal
- 3 activity (e.g., county allowance of construction of many homes in the agricultural
- 4 district with little or no agricultural activity connected to those homes).
- 5 **Technically Flawed, Confused and Counter-Productive.** Section 2 amends §205-4.5(c)
- 6 by listing as an "or" condition that under certain conditions, lots or single family
- 7 dwellings in the SLU Agricultural District as of the effective date of the act shall be
- 8 deemed to be an approved use, provided that no more than 10% of the project area
- 9 consists of soils classified as A or B."

- 10 The proposal is flawed in that it does not propose any other changes to the Land
- 11 Use Law. Applicable sections of §205-2(d), §205-4.5(a) and §205-4.5(b) and §205-8
- 12 (which speak in some way to the proposed new category of approved use) have not
- 13 been amended. Absent a comprehensive review and amendment of Chapter 205, it is
- 14 my belief that if this proposal is adopted as is, at best a non-conforming class of use
- 15 would have been established within the SLU Agricultural District.

- 16 The proposal also begs the question as to what status would any other similar
- 17 lots created after the effective date have. This underscores my personal objection to any

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1 proposal which seeks to retroactively "fix" lots or homes in a very specific
2 circumstance. I believe that you confuse more than you clarify.
3 The proposal's restriction that not more than 10% of the project area can consist
4 of soils classified as A or B is also technically flawed. I believe that the "A or B"
5 language needs to be amended and consistently reflect the description used elsewhere
6 in the chapter. However, I believe that this restriction allowing as an approved use
7 single family dwellings on land which are classified by the land study bureau's detailed
8 land classification system as overall (master) productivity rating class A or B is in direct
9 contradiction to the inherent specifications of §205-4.5(a) and (b).
10 The proposed amendment of §205-4.5(c) is also flawed in that the section
11 currently restricts the uses of qualifying lands (i.e., Land Study Bureau C,D,E or U) to
12 those uses specified in §205-5(b) or specifying that qualifying lots or homes shall be
13 approved uses. As the amendment does not clearly specify when the provision is
14 applicable, I believe that the amendment only confuses the issue.
15 It is also my belief that given a lack of clarity, uses which are qualified under this
16 proposal will fall into the non-conforming use category. Existing administrative rules
17 of the Commission covering non-conforming uses (§15-15-31 and 32) explicitly state that

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1 illegal use lands or buildings shall not be sufficient to establish a non-conforming use
2 and that whether a nonconforming use exists shall be a question of fact and shall be
3 decided by the Commission.
4 Given the inaccuracies, flaws and anticipated confusion, which would result
5 from adoption of a proposal such as this, I urge the Committee to reject the proposed
6 amendment to §205-4.5(c). If adopted as proposed, at best, this proposal would create
7 an uncertain class of use within the SLU Agricultural District and no small opportunity
8 for continued controversy, litigation and harm.
9 **Alternative.** I would suggest that what is needed besides thoughtful update and
10 reform of the State Land Use Law is a fair, consistent and transparent process for
11 reclassifying lots or subdivisions seeking relief from current and future requirements of
12 the SLU Agricultural District. Comprehensive update and reform of the State Land Use
13 Law requires action on multiple fronts. These multiple fronts include, but are not
14 limited to:
15 • The initiatives, elements and implementation of Act 183, SLH 2005 regarding
16 Important Agricultural Lands (IAL);

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1 • The findings of the community dialogue and study; implementation of the
2 subsequent legislative proposals carried out as a function of Act 205, SLH 2005;
3 • Much community and legislative dialogue; and
4 • The clarification provided within HB 1938 HD1 as to the permissible uses within
5 the SLU Agricultural District.
6 **A Solution For The Issue At Hand.** I believe that the fair, consistent and transparent
7 process for reclassifying lots or subdivisions seeking relief from current and future
8 requirements of the SLU Agricultural District would involve a quasi-legislative
9 proceeding which would allow individual counties and/or the State Office of Planning
10 to pursue boundary review and amendment of SLU district boundaries in a manner
11 which is consistent with approved community and county general plans. I believe that
12 establishing such a State or County proceeding is necessary to ensure fairness and
13 consistency in resolving and reclassifying uses, which are in conflict with the district
14 standards under which they currently exist.
15 This process would be enduring and not one-time as proposed in this measure.
16 The process would also seek to ensure that any relief or reclassification given would be

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1 in concert with established and accepted patterns of human settlement as expressed in
2 county community or general plans.
3 Such a process allowing State and/or County agencies to apply for district
4 boundary amendments would require that a new section of the State Land Use Law be
5 established which would prescribe:
6 • Application requirements and qualifications for state and county agencies;
7 • Specific periods within which such applications could be entertained by the
8 Commission (e.g., every 5 years);
9 • That all references to such proceedings conducted by the Commission be that of
10 a "public meeting" versus "public hearing" to ensure consistency with the
11 defined terms contained in Chapter 92, Hawaii Revised Statutes;
12 • General or specific requirements that notice be given consistent with the
13 requirements set forth in Chapter 92, Hawaii Revised Statutes;
14 • The maximum processing time frame for the Commission to review such
15 applications;

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- 1 • The general requirement that the submission and acceptance of testimony be
- 2 consistent with the requirements set forth in Chapter 92, Hawaii Revised
- 3 Statutes;
- 4 • The decision making criteria that the Commission is obliged to utilize;
- 5 • A specification that requirements for Chapter 343, Hawaii Revised Statutes as
- 6 they pertain to individual parcels be satisfied at the time of rezoning before the
- 7 appropriate county authority;
- 8 • The provision that individual lot owners affected by such a reclassification action
- 9 could seek a contested case administrative review before the Commission;
- 10 • That upon the issuance of any order by the Commission, that order might be
- 11 appealed to the Circuit Court (as allowed for in applicable sections of state law);
- 12 and
- 13 • Other appropriate specifications as might be deemed necessary.
- 14 It is my belief that such a process is more appropriately responsive to situations
- 15 such as described in this proposal.
- 16 I apologize for the length of my testimony and not being available to present
- 17 these comments in person, however the business of the Commission takes me elsewhere

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- 1 today. I note that the comments and opinions reflected in this testimony reflect my own
- 2 opinion and should not be taken to speak individually and/or as a group, members of
- 3 the State Land Use Commission.
- 4 Thank you for the opportunity to provide testimony on this proposal.
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Representative Green rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. This issue is controversial. This is in support however of the measure. This is Representative Herkes' district and my district. It's something that I've worried about and thought about for the last 18 months. The bottom line on this issue for me is, I've spent time with the people of Kona, in the last say three years, walking up and down the streets of Royal Poinciana and Lako and Kapuna Street. And there's an unbelievable majority of those people that want this situation resolved.

"This may not be the most ideal forum. This is an evolution for sure. This is February 17th, in a very significant session. It's going to have to go and it has to evolve, this bill. But I can tell you from the standpoint of my district, the people have great concern. They wonder who is going to help them resolve these major issues in their district and they look to us to resolve problems. They may not understand or recognize at this time the nuance of the Judiciary system versus our powers here at the Legislature, or even the Executive Branch. But when they go up and down the road, they say why are we 20 years later going round and round about this issue with Hokulia when we've had our plans on hold.

"I have to say it's a very poignant argument that those people make over and over to me. I'm speaking about liberal Democrats, conservative Republicans, people who have no party affiliation. They come to me one after another and say, 'Can you please help us?' They look to this road. They look to us to steward the land. There's no question. And they don't want it to be overrun as a major urban area. But I really have to say the majority of the people, which is really what we're here for, certainly I'm here to represent Kailua-Kona. Those people are telling me, 'Please help us with a solution. Don't stick your head in the sand.' I have hundreds and hundreds of letters asking me to help them with a solution. It's difficult for me to say to them let's wait a few more years until the Supreme Court makes a ruling."

Representative Cabanilla rose to yield her time, and the Chair, "so ordered."

Representative Green continued, stating:

"Thank you. I will try to sum up. I personally believe that is a rural piece of land. I personally believe it would be best if we didn't have to have a law, that if it was settled by the plaintiffs. And I'll hope they'll do that. I've been pleading with them to do that because I think that is the best way to get through this problem. But that road right now goes past the hospital, and people have been waiting for 15 or 20 years to have other finances to get a road in. They've been building their houses and coming to the area with certain expectations of what Kona is like.

"So I do think this is an incredibly important issue. I do not think we should compromise land use laws. But I do hope that my colleagues will see the wisdom in trying to help the people of West Hawaii who seem to be in favor of some kind of resolution. Get to it. Because this really affects every single person that lives in that area. I welcome everyone to come and spend time in the community. But from my perspective, which has been a person-to-person perspective, they want this resolved somehow. So I will vote yes on this measure, Mr. Speaker."

Representative Halford rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Waters rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, in opposition. I don't come from Kona, but I would ask if I lived there: Why didn't the developer go to the Land Use Commission? Why did they go to trial? And why are they

appealing this? Because had they gone to the Land Use Commission from day one, this would have been resolved. Thank you."

Representative B. Oshiro rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I'd like to request a ruling on a potential conflict. The law firm that I work for is involved in two lawsuits, in federal and State court, involving the Hokulia lot owners. And I have worked on that case."

The Chair then ruled:

"You are excused from this vote."

Representative Caldwell rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I also may have a potential conflict. The firm that I am a partner in represents the County of Hawaii in the Hokulia lawsuit. And I think there's a direct conflict."

The Chair then stated:

"Are you a part of the lawsuit itself?"

Representative Caldwell responded, stating:

"I'm an owner in the firm that's part of the lawsuit and I believe that this legislation, should it become law, will resolve the problem that our firm was hired to fight for. We're hired to defend the County. This legislation, if it becomes law, will relieve the County of liability. I think there's a direct relationship."

The Chair ruled:

"You are excused."

Representative Shimabukuro rose to speak in opposition to the measure, stating:

"Mr. Speaker, I rise in opposition to the measure for the precedent that I fear that this bill could set. I would like to read testimony submitted by my boyfriend at yesterday's hearing."

"I reside in both Puna and Anapuka on the Big Island. Both areas are far from each other. Both are agriculture. And both so-called, 'bad soil', yet I farm both areas. Soil quality should not be used to determine whether or not someone can grow things on agricultural land. You should determine whether or not land can be farmed based on the farmer and the crop. For example, protea, coffee, papaya and other diversified agriculture is all grown on these so-called, bad soil areas."

"If soil quality is used to determine what land should be developed for single-family homes, most of the Big Island, because of potential financial economic gains could be developed under these types of bills. This is because you can either make thousand of dollars selling or renting houses, or you can work hard at farming your land."

"If people want to develop they should buy lands already zoned for that. Developers must stop trying to encroach on our precious agriculture lands which is absolutely so critical to sustain the face and identity of Hawaii."

"And if this bill is referring to the Hokulia project we can look at it like this. Oceanside bought a desert zone for agricultural purposes and now they're trying to sell it to people who thought they bought it free and clear. This should be settled in litigation, and the courts serve their purpose in these kinds of issue."

"When you buy agricultural land you're supposed to farm. I live amongst more gentlemen's farms than farms. There's too many buyers coming in looking to buy at agricultural prices in order to build luxury residences, and this is wrong."

"And it's signed by Ianuali Kaonohiokalanikoholua. In addition, Daniel Anthony and Kaonohiokalani Jeremiah. Thank you."

Representative Berg rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I rise in strong opposition to this bill as well. Thank you. And urge my colleagues to look beyond the Committee Report to look at the content of HD 1 and the process by which HD 1 is before us. I think we need to ask ourselves as a governing body, what's the real issue and what are the questions that are underlining this measure."

"Notwithstanding that this proposed measure is specifically designed to rescue Hokulia and Big Island County from their current circumstances, and that there are many differing perspectives on this situation, I believe that this bill is one of those measures that has the potential of defining us as a governing body. The role we play individually and collectively in the future of Hawaii. Mr. Speaker, the values upon which we rest, and upon why I ran for election, are inherent in the passing of this bill to the next Committee."

"In light of our evolving efforts to move Hawaii towards a sustainable future, we're undergoing discussions as to what constitutes important ag land. I wish to register my opposition in three major areas. One, from the perspective as some of my colleagues have shared, that the bill is flawed. There are details, and I understand that the process that we're involved in at the moment, allows us to continue the dialogue. But when we look at the testimony from the County Council of Maui, the Chairperson, saying that the proposed bill has broad land implications and may conflict with the policies in the Maui Country General Plan and Community Plans. Individual counties have been following the law and have been doing their best to interpret what the law means in terms of their county plans. If the County of Maui is concerned about this, and maybe it doesn't involve the City and County of Honolulu, I think we need to look more specifically at the pieces that some of my Representative colleagues have said about the bill being flawed."

"The second reason that I believe we need to be not only cautious, but we need to vote no on this particular measure moving forward is that, in addition to the separation of powers discussion, I think there is an incongruity from the Committee Report and what the bill actually says. The Committee Report says that the purpose of this bill is to end controversy over the legality of thousands of homes, etc., by authorizing each county to establish an advisory group to assist the Country Planning Department to identify land use policies and develop standards. This is what the bill was when it left our Committee. Water, Land, and Ag last Session. I don't see anywhere in the bill where it establishes an advisory group to help the County in planning. So I have concerns that the process is somehow confused there."

"And more importantly, Mr. Speaker, to me democracy matters. And if what we're doing at this moment is deciding that we as a Body are more knowledgeable than land use people, than planning people, than the community, and we're going to fix something that we weren't even part of creating. We can talk about this particular Hokulia issue until we're all blue in the face, and we won't agree with that. But I think we have an opportunity at this moment to decide what is our role as a State legislative body. Honoring our colleagues, who are representing their constituents who are upset about this. But Mr. Speaker, we have come so far in the last few years, in the many years. 20 years ago I wouldn't have run to be a part of this Body, but I believe deeply in the process. I hope my colleagues also will vote no at this particular time, and let's go back and work on this. Work on a solution, not through legislation, but let's enable the counties to help themselves. Thank you, Mr. Speaker."

Representative Tsuji rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I rise in support of this bill. Mr. Speaker, I don't believe that this is about travesty or mass hysteria. I don't believe that this is about the Harry Kims or the Hokulia. But I do believe that this is about what is wrong. And we as legislators are in a position to right the wrong, or maybe really the vagueness that has lead the counties in the past years to approve the creation of several thousand of these agricultural lots in the districts.

"It is easy for me to say that I do not belong in the district, or that is the other Representative's district. It is true, a lot of us are not in these two respective districts. But we all collectively are part of this one community, one State. We as legislators, Mr. Speaker, I truly believe feel the responsibility. This is why we are here today and this is why we can share in such a dialogue. That we truly want to right this vagueness that has created this. Mr. Speaker, I request and rise in support of this bill. Thank you very much."

Representative Evans rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I rise with reservations. I've been concerned about how this gets framed as the Hokulia fix, and then also hearing that it's about all these thousands of homes that are in jeopardy if we don't do something.

"So what it does is I think it really creates confusion for the public, and also for the people on the Big Island where I represent, West Hawaii. All my residents are confused. They can't figure out if it is a Hokulia fix, or if in fact, like up in Waimea, are their lands in jeopardy because that's where they live and so they worry about it.

"So I think they look at us for that kind of leadership. I think this is one of these ... It's a moment in time where we have to step up. We have to at least talk about it. That's why I'm with reservations because I want it to continue. I want the discussion to be continued. I think it should be moved forward. I have some reservations though. I don't like the idea that it's just quote, 'going to be a Hokulia fix.'

"What I'd like to think is this is an opportunity to address things like important agricultural lands. Things like, why aren't we more defining about what a rural district looks like, and passing some laws on that. Another bill that I've introduced that says that we've got to stop the loophole, right now, in law. We allow the counties to actually have variances and they can, what I call, 'spot zone.' But they don't have to follow the permitted uses that has been passed by State law. So we have given a hole to the counties to kind of do what they want.

"And sometimes I wonder, people say this is a 'Hokulia fix'. I'm wondering why the other counties aren't at the table screaming as loud as Harry Kim saying that we have got to stop and think about our agricultural lands, and we need to fix the laws because there are some nonconforming uses in ag. And so why isn't everybody at the plate saying things have got to change? That confuses me.

"I'd like to think that if we keep this bill moving forward that we can really get the discussion going. Get all the mayors and the county councilmen. Maybe some of the lawyers that work for the mayors to start weighing on this. I'd like to see more testimony come from them to really tell us where a lot of the laws that maybe should be fixed. And maybe from this whole discussion, this topic might be able to help us deal with some of those issues about important ag lands. Thank you."

Representative Schatz rose in opposition to the measure and asked that the remarks of Representative Waters be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

Representative Sonson rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in support. I think the fix is always going to be in our hands. These interpretations of laws are a product of the way we do our job here. It seems to me that the problem arises from business decisions from these businesses, interpretations from lawyers that are hired, interpretations of county officials in how to implement the laws that we create. We have to take some responsibility. And this is a way that we step back in when things go wrong.

"I don't think it's unusual that when there's a court ruling, be it at the circuit level or at the Supreme Court level, that our constituencies will come to us for help. And we do it. We do it not quite as often, but yes we do it.

"This business regarding whether or not a land use process had to be followed before building starts, it's done. It's over. The court has ruled they have not done it properly. That they should go to the land use process. Change from ag to urban. Yes that's an interpretation of what has happened. I wasn't there. We were not there. We can only listen or read about what has happened there.

"But the problem is before us. The bill says, let's provide a solution. When I look at the parties in this case. There are those that may push this and say, 'You didn't do it right. You did not follow the law. It's a matter of principle.' Indeed. If it is a matter of principle, then the only way to fix it, Mr. Speaker, would be to follow the law, but the law has not been decided because it has been appealed. But yet I question the fact of whether or not this is a matter of principle. If it is a matter of principle, then there is no value that can pay for it. There should be nothing that can change the people's mind who are pushing this. 'Developer, you go and do this. If you don't do this, we're going to push you to the limit. You have to follow the law no matter what it costs you.' But I don't think so. If that was the case, Mr. Speaker, my vote would be probably different today.

"But given the new developments provided by the evidence that was taken by the Chair of EDB. The answers to questions posed by the Chair of Water, Land to the zealous attorneys who are representing the plaintiffs and also those who are supposedly doing this as a matter of principle. I changed my mind because it is already a matter of money. I am convinced that it is not a matter of principle, because we can easily fix that. This would be just a matter of money and that has a middle ground.

"Let us provide this vehicle to encourage the parties to come closer to whatever it is that is reasonable to fix this problem. We cannot undo what has been done. And shall we let the community bleed in the wait for the judicial process to take place? It may take years.

"I feel and empathize with the question posed by the Chair of Higher Ed. He says, why didn't they just go to the LUC afterwards? Well again, we cannot second-guess at this point where we stand today, and where we discuss this today. We don't know why. What we have before us is we have a bill, a vehicle that can be used as a means to resolve the issues. I think, Mr. Speaker, that this bill deserves further scrutinizing, further discussion, and I think that we should let it go and proceed as though. And so, Mr. Speaker, I urge you and my colleagues to please support this bill as it goes through the process. It is not over. Far from over. Thank you."

Representative Karamatsu rose to speak in support of the measure, stating:

"Mr. Speaker. In support. Mr. Speaker, let's go to the law. The reason why these developments have happened is because the law allowed it to happen. The law allowed one-acre lots to be developed. If you look at the statutes we defined what A and B lands are. C, D, E and U lands, what they are as well. Under A and B, you see a laundry list of restrictions. And under C, D, E and U, we gave

authority to the counties. We also gave the authority to the counties to define accessory agricultural uses.

"The Land Use Commission created some rules which conflict with what the restrictions are for A and B. They tried to apply some of the A and B restrictions to C, D, E and U which is not stated in the law. And law supersedes ruling. So I think there might be a conflict in rulemaking versus what the law is stating.

"I think for this issue, there's language that allows this. If you look at 205-2, it's not limited to farm dwellings. You can also build buildings and not grow agriculture on that same lot. You can grow agriculture in other lots. So the law doesn't restrict C, D, E and U the way some attorneys are trying to make it restricted. So who's right or wrong depends on who interprets the law. And in this case the counties were given authority so they did what they did in permitting these developments. They didn't have to go to LUC. So maybe we need to clarify even better because the law doesn't state that the A and B restrictions should be applied to C, D, E and U. People are saying it should, but the law doesn't say that. So I'll just stand by the law. Thank you."

Representative Harbin rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in support of this measure. We talk about leaving this issue up to the courts to decide and separation of power, and I believe that is why we are here. We are here to make the statement of policy. There are inconsistencies in the law. People are being damaged and there is potential damage because of these inconsistencies. I think we have a responsibility to continue to discuss them, and find those inconsistencies and fix them.

"These are the types of things that continue to make Hawaii a joke in the world of the business community because of our inconsistencies and inability to face them. We need to fix this. We need to make corrections and not just sit back and say, 'Oh, let's just leave it to the boys at the Supreme Court.' Thank you."

Representative Pine rose to speak in support of the measure with reservations, stating:

"With strong reservations, Mr. Speaker. I heard a lot of conflicting information today and I think the most important thing that will come out of this legislation is it's really forced all to look within ourselves to decide what kind of Hawaii we want in the future. I believe I want to continue that discussion so that we can provide better policies and better laws that prevent these gray areas. Thank you."

Representative Saiki rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Thielen rose to respond, stating:

"Thank you. Mr. Speaker, I know this is my second time. I would just like to enter the remarks of the Chair of the Sierra Club, the Executive Director of the Sierra Club. I'm going to quote it because it's brief. I like to enter them into the Journal.

"This is nothing more than special interest legislation for an irresponsible developer who was nailed by the 3rd Circuit Court for polluting the water and desecrating burials and avoiding our land use law, and now the Legislature is going to bail him out at the expense of our agricultural land. Those are the words of Jeff Mikulina, Executive Director of the Sierra Club.

"Mr. Speaker, after the debate is concluded I would like to call for a roll call vote, please."

The Chair then stated:

"I believe at this point Representative Thielen, the Chair was going to recommend to this Chamber that you record your vote now because this is a voice vote on Second Reading."

Representative Thielen continued, stating:

"Mr. Speaker, I'd like to call for a roll call vote, please."

The Chair then stated:

"You cannot call for a roll call vote when the motion is to take up from pages 1 through 30, and then we will have the voice vote."

At 2:19 o'clock p.m., Representative Thielen requested a recess, and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 2:20 o'clock p.m.

The Chair then stated:

"We've had a lot of discussion on this measure at this point. It's going to right now, be referred to the Committee on Finance. Any of you who would like to cast a no vote or an aye with reservations, you're allowed to do so at this time because it is a voice vote for all 176 bills, from pages 1 through 30."

Representative Finnegan rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I'm going to vote with reservations. And I have just really short comments. I was planning on just fully supporting this piece of legislation, but now I do have very strong reservations. Thank you."

Representative Abinsay rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. First of all I've got to say, well I'll tell you, I have reservations. Support with reservations. I'm just so proud of this Body. This is the first time in 10 years I've really honest debate on the Floor among both parties regardless of political persuasions. This is a vote on issues. This is a debate on issues.

The Chair addressed Representative Moses, stating:

"Representative Moses, your remarks are not tied to the measure before us."

Representative Moses continued, stating:

"Exactly, but it was a compelling debate and that's why I have with reservations because I have not been involved in the Committees. It's going on to Finance and I'm ready to hear the testimony there. Thank you."

Representative Ching rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Mr. Speaker, in view of the testimony supplied by the testifier from the Land Use Commission, other agencies, as well as my colleagues' debate on the floor, I cannot support this measure.

"It appears that Oceanside ignored letters regarding Hokulia's project consistency with HRS Chapter 205 as well as advice from their own attorneys. The State Department of Agriculture, the Office of State Planning, and the Land Use Commission sent letters raising

concerns over Hokulia's project consistency with HRS 205. Oceanside had express notice in 1994 that its proposed development did not comply with governing State land use laws, which preempted any apparent county authority for residential residences on agricultural land.

"Aside from other points brought up, testifiers stated that the bill as written is flawed. There were also objections pointing to the fact that the bill was not referred to; or heard by the Committee on Agriculture.

"My concerns rest with the statement from the testifier from the Land Use Commission, that: 'If adopted as proposed, at best, this proposal would create an uncertain class of use within the State Land Use Agricultural District and no small opportunity for continued controversy, litigation and harm. Thank you.'

Representative Stevens rose in opposition to the measure and asked that the remarks of Representative Thielen be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Lee rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Kanoho rose to speak in support of the measure, stating:

"Thank you very much, Mr. Speaker. I rise in strong support of this measure."

The Chair addressed Representative Kanoho, stating:

"Would you like to submit written testimony because I'm just asking Members to record their vote at this point. We've had close to 45 minutes of debate. If you would like to submit your comments to the Journal at this point in time."

Representative Kanoho continued, stating:

"In strong support. Thank you."

Representative Wakai rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Carroll rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Luke rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Tanaka rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative M. Oshiro rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative M. Oshiro's written remarks are as follows:

"Mr. Speaker, I rise to speak in favor of House Bill No. 1368, House Draft 1, Relating to Land Use.

"This bill would provide a remedy to the ongoing controversy surrounding settlements in agricultural subdivisions by grandfathering as an authorized use within the State land use agricultural district:

- (1) Existing single-family dwellings; and
- (2) Single-family dwellings that were initiated pursuant to county ordinance that are currently pending completion, provided that not more than ten percent of the pending project consists of soils classified as A or B.

"I. House Bill No. 1368, House Draft 1, Would Provide Relief For Thousands Of Property Owners Throughout The State.

"Opponents of this measure have called this a 'special interest bill', but that argument is misplaced and meaningless. All measures have constituencies and by definition and purpose all measures are for 'special interest'. Moreover, critics ignore the simple truth that this legislation may be necessary to protect and preserve thousands of single-family homes and the thousands of Hawaii residents that currently exist within the agricultural district. Let me be perfectly clear to the public and community. I am not providing my support for this bill to help any particular developer, or investor. I do not have any pecuniary interests in the disposition of the lawsuit. On the contrary, I lend my support to this bill because in my measured judgment that it is the right thing to do for our Kamaaina and long-time Hawaii residents.

"The Mayor of the County of Hawaii put it best when he testified that:

"... We can all agree that our laws should be clear and understandable by the public. This is especially true for laws that affect what people can do with their land. Unfortunately, our present state land use law... does not give sufficiently clear standards for what is allowed and not allowed in the agricultural district.

Example: Single-family homes. In 1976, the Legislature amended [the law] to say that on A and B soils (the best quality) in subdivisions created after that date, homes had to be 'farm dwellings' rather than 'single-family dwellings'. The Land Use Commission extended that by administrative rule to all soil types. This rule affects thousands of lots created in the agricultural district since 1976 on all islands, yet few lot owners know this, and the law give no precise standard for what should be considered a 'farm dwelling'. In the County of Hawaii, we have more than 2,500 such lots, many of them on rocky lava lands unsuitable for agriculture. Maui County has more than 1,600. A law that lacks precision on what the landowner can or cannot build must be fixed.

Example: Projects that consist of 1-2 acre lots along golf courses. [The law] expressly allowed golf courses, except on A and B soils, and one-acre lots. At various times in the 1980's and 1990's, the Land Use Commission, the executive director of the Land Use Commission, our county planning director, our county corporation counsel, and our county council, all believed such projects could be legal in the agricultural district. But a circuit court judge has ruled that they are not. Whether you agree or disagree, a law that leads people to such different conclusions must be fixed."

"It should also be noted that contrary to testimony by the Sierra Club of Hawaii and counsel for one of the Plaintiffs in the Hokulia controversy, a contested case proceeding currently before the Land Use Commission places another legal cloud over nonconforming structures situated in the agricultural district -- this time, for County of Maui. In Docket No. DR04-30, In The Matter Of The Petition For Declaratory Order By Kuleana Kuikahi, LLC, the petitioner, Kuleana Kuikahi, has argued that the developers of lands situated in the agricultural district are developing agriculturally-zoned land into luxury home sites and using them for non-agricultural purposes in violation of the requirements of the State Land Use Law.

"Similar to the Hokulia situation, many of the lots in this Maui subdivision have been sold and many of the new owners are building homes and other buildings which the petitioner contends should not be allowed on lands situated within the agricultural district. The petitioner has alleged that the County of Maui has not enforced compliance with State and County rules, and has thus filed a petition with the LUC to obtain declaratory rulings to obtain protection for the agricultural lands in question.

"In light of Judge Ibarra's decision in Walter John Kelly et al. v. 1250 Oceanside Partners, et al., Civil Action No. 00-1-0192K (2003), or more commonly referred to as "the Hokulia" Decision, a ruling in favor of the petitioner by the LUC might conceivably result in future class action suits by the owners of the Maui subdivision lots and subject the County of Maui to the same problem that is currently being experienced by the County of Hawaii -- potential civil liability in the magnitude of tens to hundreds of millions of dollars that could possibly bankrupt the county.

"In addition to its impacts on government finances, this problem also has a huge impact on individual landowners and their families. Rodney Watanabe, Executive Vice President of Member Services for the Hawaii Community Federal Credit Union, and member of the Hawaii County Planning Commission, testified that:

"... [A] fundamental aspect of lending is assessing and mitigating risk. Within mortgage lending this necessitates a reliable determination of the value of the real property being secured. A significant factor in determining the proper valuation of real property is whether or not the secured property was properly subdivided and that the lot and any dwelling constructed on that lot was legally built and may continue to be used in compliance with the applicable State and County land use laws. The legality and attendant value of such secured property directly impacts not only the ability of a financial institution to make such loans, but also to be assured of the continued value of any security, once a loan has been made..."

"... [The] recent Land Use Order and the uncertainty it creates is a greater risk than eminent domain and condemnation for the greater public good. At least condemnation provides for remuneration. This decision simply removes property rights, thereby devaluing the property and completely[ignoring] any loss utility."

"The solution posed by this bill has vast potential to remedy an enormous problem. Yet, this bill would only impact a relatively small amount of land within the agricultural district. The Hawaii County Planning Director testified that:

"... Since 1976, the counties have allowed several thousand lots to be created in the agricultural district. Most owners of these lots expect to build a home. In some cases, the zoning laws supported this expectation. Hawaii County, for example, listed 'single-family dwelling' as a permitted use in agricultural zones, with no mention of a 'farm dwelling' requirement, until 1996, and Kauai's zoning ordinance still says that single-family dwellings are allowed in agricultural zones."

"This bill simply allows these lot owners to build homes, as long as they are not on A or B class soils. It applies only to areas that have already been subdivided, and a few projects where subdivisions have begun but are not finished. While this bill helps thousands of people, it affects less than 1% of the land on the island of Hawaii that is in the agricultural district. It affects a similarly small percentage of the ag district land on other islands." [Emphasis added.]

"In my opinion, the idea proposed in the bill before us is just that -- an idea. It may not be the best idea, nor may it be the worst. But I commend the Chair of your Committee on Economic Development and Business Concerns, as well as the Chairs of your Committees on Water, Land and Ocean Resources, and Agriculture for at least proposing a solution for this body to discuss and to work on this session. Let me emphasize. We must not lose sight that there is a huge problem before us, and to not even discuss this issue would truly be a disservice to the people we are sworn to represent.

"II. The Legislative Process Was Not Circumvented.

"Opponents have also argued that the legislative process was circumvented when your Committee on Economic Development and

Business Concerns amended the original substance of House Bill No. 1368, and in its place, held a public hearing on a proposed House Draft 1, containing the substance presently before us.

"First, let us be honest with each other and acknowledge that the scheduling of proposed drafts for public hearing is not an uncommon practice. I personally drafted, held public hearings, and passed proposed drafts when I served this House as the Chair of your Committee on Labor and Public Employment during the Regular Sessions of 2003 and 2004. Given the time constraints placed on standing committees by the Hawaii State Constitution and the legislative timetable, the practice of hearing proposed drafts is a vital tool to ensure that the people's work gets done. Using proposed drafts is not an extraordinary procedure, and I would bet that all of your present standing committee chairs have used this legislative tool to advance measures.

"In the instant case, the public was notified of the public hearing at 8:30 a.m. on Tuesday, February 13, 2006, more than forty-eight hours prior to the start of the public hearing in accordance with Rule 11.5, of the Rules of the House of Representatives, State of Hawaii, The Twenty-third State Legislature (2005-2006).

"In addition, copies of the proposed House Draft 1 were available to the public and the members from the afternoon of Monday, February 12, 2006 from Offices of the Vice-Chair and Chair of your Committee on Economic Development and Business Concerns. These accommodations were made not only to ensure that the public would have ample opportunity to review the proposed draft and participate in the hearing process, but equally important to notify all House members of the Chair's intention of taking up this issue at that time in the form of the proposed House Draft 1. It is my understanding that no member of this House raised an objection to the bill referral at that time and no member objected to the proposed Draft 1 although several public advocacy groups contacted several House members expressing both dismay and opposition.

"But, it should also be noted that the issue of resolving the controversy surrounding agricultural subdivisions is not new and last year this Legislature attempted to address this issue. In fact, a measure which was heard and approved by this body -- House Bill No. 109, Conference Draft 1, which was enacted as Act 205, Session Laws of Hawaii 2005, is noteworthy from both procedural and substantive perspectives.

"House Bill No. 109 was originally referred to the Joint Committees on Water Land and Ocean Resources and Agriculture (WLO/AGR), then to the Committee on Economic Development and Business Concerns (EDB), and then to the Committee on Finance (FIN). This is the same referral that was given to House Bill No. 1368.

"When House Bill No. 109 was reported out of WLO/AGR, in the form House Draft 1, it contained a provision that would have grandfathered the nonconforming uses of land or buildings existing within all State land use districts, including agricultural districts, on the date of the enactment of the bill. Moreover, this provision sought to address the same situation that House Bill No. 1368, House Draft 1, seeks to address -- to remedy the controversy surrounding single-family dwellings within the agricultural district.

"WLO/AGR reported Standing Committee Report No. 373 on House Bill No. 109, House Draft 1, and was subsequently overwhelmingly approved on Second Reading on February 16, 2005. February 16th was just two days prior to the First Lateral Deadline, which occurred on February 18, 2005. In addition, to ensure the timely processing and filing of bills, pursuant to my directive to the Chairs of all Standing Committees, all measures had to have been filed with the Chief Clerk's Office on Thursday, February 17, 2005, and be placed on the Order of the Day for February 18th in order the meeting the First Lateral Deadline.

"At the time, our colleague from North and South Kona served as the Chair of EDB. He demonstrated his intention to address this issue when he scheduled the bill for hearing prior to it being reported from WLO/AGR Committee and approved on Second Reading. A notice was filed for EDB to hear House Bill No. 109 on February 10, 2005. However, because the measure was not reported from WLO/AGR and approved on Second Reading prior to the scheduled hearing, EDB was forced to delete the measure from its February 10th agenda.

"Ultimately, because the measure was reported so close to the February 18, 2005, First Lateral Deadline, EDB was precluded from hearing, reviewing, and reporting the measure in time to meet this deadline without obtaining a waiver of the forty-eight hour rule. Because of the sensitive nature of this issue, the Chair of EDB chose not to hear the measure, but instead waived referral on the measure to facilitate continued discussion on the bill.

"Had he obtained the waiver, heard the bill, and reported the measure to the floor, would he and this body have not been criticized by the public?"

"It should be noted that this House approved this version of the bill on both Second and Third Readings unanimously.

"When the House Bill No. 109, House Draft 1, returned from the Senate, the bill was given its original referral of WLO/AGR, EDB, FIN to ensure that the EDB Committee would be represented during the Conference negotiations on the measure. The rest is history and today we have Act 205, SLH 2005.

"So why do I bring this up? My point is this: the issue of resolving the controversy surrounding homes on agricultural subdivisions is just as much an economic development issue as it is a water land and agricultural issue or a finance issue. Last year's House Bill 109 referral of WLO/AGR, EDB, FIN was approved by this House and all Chairs because it made sense and was consistent with the House Rules pertaining to Committee jurisdiction.

"Because of this, I believe it was well within the EDB's jurisdiction to offer a proposed House Draft 1 on House Bill No. 1368, solicit public testimony, and report the bill to the floor. It was done so in an open and transparent manner where both supporters and opponents were able to voice their opinions on the issue. It was done so in a manner that facilitated constructive discussion by all members of this House. And most importantly, it was done to facilitate further discussion on this issue during this legislative session.

"III. It Is The Role Of The Legislature To Occasionally Resolve Controversies That Are Pending Further Litigation."

"Opponents have also objected that this measure seeks to resolve a controversy that is currently before the courts. They have correctly asserted that the role of interpreting our laws and deciding the constitutionality of laws rests solely with the Judiciary. However, it is the role of the Legislature to establish public policy and to clarify public policy whenever these policies are unclear or conflict with one another. It is also the prerogative of the Legislative branch to correct or restrain the Judiciary from misapplying legislative policy or embarking on judicial lawmaking. It is this dynamic tension that seeks to keep the three co-equal branches of government vital and relevant.

"Moreover critics are conveniently overlooking that numerous examples of this Legislature clarifying public policy in this fashion. Just the other day, this body approved Standing Committee Report No. 466-06 on House Bill No. 3241, House Draft 1, which was reported from your Committee on Water, Land, and Ocean Resources.

"House Bill No. 3241, House Draft 1, seeks to prohibit private owners of oceanfront property from claiming accreted lands caused by the private landowner's planting and maintaining or otherwise

encouraging vegetation on the seaward boundary of the property. As we are well aware, the issue of using the vegetation line as the demarcation between private property and publicly-owned beach areas has been contentious in recent years leading to numerous lawsuits that are currently pending further action by the courts.

"This bill will have a material affect upon the pending lawsuit, Maunaloa Bay Beach Ohana 28 v. State of Hawaii, Civil No. 05-1-0904-05. This case is pending in the First Circuit Court, wherein plaintiff oceanfront owners are alleging that Act 73, Session Laws of Hawaii 2003, effected a taking of their pre-existing rights to claim accreted land. They also claim that the Act did not provide for just compensation and is, therefore, unconstitutional and void.

"Likewise, that same day, we also approved Standing Committee Report No. 527-06 on House Bill No. 2372, House Draft 1, which was reported from your Committee on Labor and Public Employment. This is an Administration bill that seeks to address a recent lower court decision invalidating a law prohibiting non-Hawaii residents from applying for government jobs by removing the requirement that applicants must be a resident of Hawaii at the time of application. The bill would also allow the director of a jurisdiction to waive the "residency during employment" requirements for positions within that jurisdiction.

"According to the Justification Sheet attached to this Administration bill, House Bill No. 2372, would adopt the common law domiciliary-based definition of "resident" to simplify the application process. The text further clarifies that:

"... It also needs to be noted that the constitutionality of the resident-at-time-of-application requirement in section 78-1(c) is presently being challenged in the federal court. See, Walsh v. City and County of Honolulu, et al., Civil No. 05-00378 DAE/LEK. Amending that section in the manner proposed by this bill ought to moot the plaintiffs' claim. . ." [Emphasis added.]

"Also, last year, this House approved on Third Reading House Bill No. 875, House Draft 2, which would appropriate funds to be used, if necessary, by the Department of Education to settle two pending lawsuits brought by substitute teachers against the Department of Education for unpaid wages.

"The record will show that all of us here today voted in support of House Bill No. 875, House Draft 2, thereby bringing ourselves into "live" cases pending in court. The cases are entitled Garner v. Department of Education and Kliternick v. Hamamoto, and they are still in court. House Bill No. 875, House Draft 2, is still alive and currently pending further action in Conference.

"Finally, for me, the most notable example of the Legislature getting involved with a matter under review by the courts was the issue of same-sex marriage during my second term in office. During the Regular Session of 1997, we approved House Bill No. 117, a bill proposing an amendment to the Hawaii State Constitution that sought to clarify that the Legislature has the power to reserve marriage to opposite-sex couples. It was a one of the most contentious issues of the day and today's current controversy pales in comparison.

"I vividly recall the Chief Justice's State of the Judiciary Address of 1997, where he acknowledged that it was the Legislature and not the Judiciary that had the final say on issues:

"Although the phrase 'separate, independent, and equal branches of government' may suggest to some that there are no limits as to what each branch can do, such perception is, of course, inaccurate. The system of checks and balances, built into our system of government, has, at its core, the purpose and intent of protecting our citizens against one branch becoming too powerful and of guarding against the potential for excesses and abuses of power. Therefore, as each branch asserts its

constitutional independence, discord and tension may arise as a natural consequence.

"For example, the courts are sometimes characterized as legislating from the bench, that is, making or remaking the law. When deciding cases, judges often apply common law, statutory law, or constitutional law to new facts and circumstances. In so doing, we do not intend to usurp the legislative function. However, under our system of checks and balances, if we stray into legislative prerogative, the Legislature has the ability to cure the trespass. As you know, in our legal system, statutes trump common law, and constitutions trump statutes. We are ever mindful that the Legislature -- the peoples' representatives -- hold the highest trumps. That is, the peoples' representatives have the authority, within constitutional limits, to write or rewrite statutes and to propose amendments to our Constitution." [Emphasis added.]

"From the context of the Supreme Court's ruling in Baehr v. Lewin, 74 Haw. 530, 852 P.2d 44 (1993), and the subsequent furor this decision caused within the community, the Chief Justice's statement is that much more telling.

"He made it very clear during a time of great confusion and uproar caused by an unpopular court decision that it was the Legislature -- "the peoples' representatives" -- and not the Judiciary that makes the final call on public policy. He reminded all of us then that we had the responsibility and authority to use our constitutionally derived "trump" as public policymakers.

"It is my opinion that our actions today do not conflict with the separation of powers doctrine and that our approval of this measure is fully within our prerogative as "the peoples' representatives".

"IV. Your Majority Caucus Will Continue To Address This Issue In A Civil And Orderly Manner.

"In closing, let me make it perfectly clear that additional discussion and debate is needed on this extremely complex and contentious issue. There are no silver bullets. And, there are well-intentioned people on all sides of this issue. For what this bill speaks to and forces us to take notice of is how we are to resolve a multi-faceted and multi-layered problem that has been with us for generations -- a problem that appears so intractable that our predecessors could not or chose not to resolve it.

"The landmark land use laws passed in 1962 began the process. The laws passed in 1976 further refined the policy, but did not finish the task. Perhaps, in 2006, this generation of legislative leaders will add its own imprimatur to address the issues of the day. I hope so for there are at least two very important public policies that are seemingly in conflict with one another:

- The need to protect and preserve our agricultural lands and the natural and cultural resources for future generations; and
- The need to promote economic stability and the productive uses of our limited land and water resources.

"These are both very important policies and equally vital for the health, welfare, and safety of our citizenry and future generations. I am confident that the Legislature can use its democratic forum to engage the community of stakeholders and assist in shaping public policy that addresses the needs and desires of both contemporary settlements and future communities.

"We, the House Majority, have addressed other contentious issues before and will continue to do so as we pursue the common good for all concerned. It will not be easy or it would have been done years ago. And, it will probably not be without flare ups or friction, but good public policy -- like a priceless gem -- is often the product of great pressure and friction.

"Mr. Speaker, perhaps there may never be total consensus on this issue, but, your Majority members have debated this issue with the utmost respect and courtesy toward one another. We all realize that we need to work with one another in order to get the people's work done. And we pledge to continue to conduct ourselves in a civil and orderly manner as this issue progresses through the legislative process.

"Finally, as your Majority Leader, I am very proud of the way your Majority Caucus has handled this issue. All of us have held our tongues and restrained our passions and tendencies. The respect shown to each other, despite strong disagreement, reveals traits of statesmanship befitting our office and honoring ourselves and our constituents. We have set a high standard for decorum and debate for Majority Caucus and thereby elevated and honored the legislative institution and traditions that we only temporarily occupy. We are committed to respecting each others views and to work through our differences for the common good. In the final analysis, we are all here to do an important job, and together we can do more than what we could do by ourselves.

"I urge my esteemed colleagues to support this measure as their conscience dictates. Thank you."

Representative Herkes rose, stating:

"May I submit written comments and some documents," and the Chair "so ordered."

Representative Herkes submitted the following written remarks and documents:

"Mr. Speaker, I rise in support

"Mr. Speaker, I have listened with some astonishment to the discussions concerning the Hokulia development and the bill that attempts to fix the thousands and thousands of non-conforming agricultural lots in the State.

"Hokulia went through years and years of public hearings before they received their permits and a development agreement with the County of Hawaii. During the trial in Judge Ibarra's court, the former Executive Director of the Land Use Commission testified, under oath, that she advised the developer, not once but twice, that they did not need LUC approval.

"At question is the Farm Dwelling law which is the basis for the Ibarra decision. I spoke with former State Senator Richard Henderson who was in office when the Farm Dwelling law passed. He is emphatic when he says that the Legislature was clear in its intent that this condition would apply only to ag lands classified A and B. The law also recognized the importance of specialty crops such as Hanalei taro, Puna papaya and the Kona coffee belt where the Farm Dwelling condition could be applied. Hokulia is not any of the above. The other ag lands could be developed because of the scarcity of lands not classified ag or conservation. This was the legislative intent. The LUC, through rule making, turned this on its ear. Under rules they subjected all ag lands to the Farm Dwelling condition. They made law under rule making which is not unusual.

"Let's look at Sunrise Ridge in Hilo, a non-conforming ag subdivision. The County of Hawaii will issue you a building permit if you say that you are going to build a farm dwelling. There is no ag in Sunrise Ridge. Where is the outcry over taking ag lands for a residential subdivision in Hilo? Just silence. What about Kohala Estates? No outcry.

"Mr. Speaker, I would like to submit into the record the land classification for my district. The population in my district is a little over 20,000. Over 444,000 acres in my district are designated ag land, and 98% of that is in C, D, E or U. There are over 500,000 acres in conservation and a tiny speck that is urban, and none in rural.

"46% of the population in the counties of Hawaii, Kauai and Maui live in an ag district. 75% of these are on lands classified C, D, E, or U. Non-conforming ag use.

"Mr. Speaker I think that I know the people of Kona. I started going to Kona to fish with my grandfather in the late 1930s and early 40s. I have lived and worked in Kona off and on since 1955. I brought to Kona the Ironman, many golf tournaments, and the San Diego Chargers as fundraisers for Junior Golf.

"The people in Kona that I know work hard and pretty much keep to themselves. Over the years I have worked with them, grieved with them, partied with them, and played golf with them. People like Sweetie and Lance Ako, Donna and Melvine Kualii, dozens of Keanaainas, Billy Paris, Henry Cho and Herb Kane. They tell me that they have finally had enough. They are tired of people telling them how Kona should look. They are angry. They want to know why Kupuna like Billy Paris, who traces his ancestors to the ruling Chiefs of South Kona, or Henry Cho who served on the Hawaiian Homes Commission, or artist, historian Herb Kane are ignored. These people support Hokulia, as do many thousands of Mauka Kona people.

"After the Ibarra decision, the Judge asked the parties to try to mediate their differences. Hokulia came in with an \$80 million offer of community benefits. This was in addition to about \$80 million that they had already committed to. The plaintiffs responded with a \$50 million offer with \$14 million going into their pockets. Mr. Speaker, I would like to submit these documents into the record. So Mr. Speaker, if you clear away all of the rhetoric, the Hokulia controversy comes down to one thing. It is not principle. It is who is going to get paid off and the record shows that. Mr. Speaker, this sort of demand for payoffs has been going on for years in Kona and Kohala, targeting developers. In Hokulia's case, there were just too many of them at the trough.

"Finally, Mr. Speaker, most of Hokulia is in my district. I know the problems that this project has caused: loss of jobs, community anger and much more. But Mr. Speaker, it is my district. If there is a problem in Waimanalo, I will defer to the Representative from that District for his *manao*. The people of the district elected him and he should know how they feel. If there is a problem with the Haiku stairs, I will defer to the Representative from that district for his *manao*. Mr. Speaker, this is my district, I know how my people feel about this issue. And Mr. Speaker, that is what I am doing, representing the people of my district. Thank you."

CONFIDENTIAL COMMUNICATION

April 13, 2004

John DeFries
Rollin Chippey
Bob Rice
1250 Oceanside Partners

Gentlemen:

Aloha. As promised, enclosed is the monetary component of Plaintiffs' proposal. We believe the categories are self-explanatory. However, should you have any questions that relate to the parameters of each, we will be happy to address those concerns during tomorrow evening's session.

The proposal is based in part upon financial information obtained during trial and contemplates that construction will commence immediately after court approval of the terms of an agreement. As such, please understand that, before we can in good faith begin to negotiate the figures proposed, we will require convincing, uncontested proof of your client's inability to absorb these costs. We look forward to discussing these issues in depth tomorrow and in the days to come.

Sincerely,

Alan T. Murakami
Moses K. N. Hain II

Robert D. S. Kim

Attorneys for Plaintiff PKO

Attorney for Plaintiffs Kelly, et al.

Enclosure

Hokuli'a Mediation (Confidential) Monetary Component to Plaintiffs' Proposal April 12, 2004

<u>Category</u>	<u>Amount</u>
Cultural Preservation	\$8,000,000.00
Affordable Housing	\$10,000,000.00
Water Monitoring	\$2,000,000.00
Sustainable Community Economic Development (Inclusive of Agricultural Preserves)	\$8,000,000.00
Schools/Infrastructure/Scholarships	\$8,000,000.00

In addition to the above, Oceanside shall commit 15% of its gross revenues from future lot sales for its Hokuli'a and Keopuka projects up through full build out to supplement cash flow for the above causes. These funds shall be disbursed evenly among the above categories and/or in a manner that best serves the above interests. Oceanside shall cause payments to be made in a timely manner and upon a date certain each and every year until full build out of both developments.

<u>Damages</u>	
Protect Keopuka 'Ohana	\$2,000,000.00
Individual Plaintiffs	\$2,000,000.00
<u>Attorneys' Fees and Costs</u>	
Oceanside to NHLC	\$5,000,000.00
County to NHLC	\$2,000,000.00
Oceanside to Kim	\$3,000,000.00

West Hawaii Today

WEST HAWAII TODAY.COM

FRIDAY, SEPTEMBER 3, 2004

HOKULIA | PROTECT KEOPUKA OHANA

Proposal goes public

PKO SOUGHT \$50M, CONTROL OF CULTURAL CONCERNS

Some aspects of the failed mediation revealed Thursday on a Web site. The settlement details by PKO include demands for majority control of the 200-acre site, the 200-acre luxury subdivision, and the monetary commitment of \$50 million for the project. PKO is not prepared to allow the project to proceed.

once the details are written and made, according to a June 18 letter from Hokulia to Oceanside. "I did not expect this," said Murakami, who represents the 200-acre site. "Hokulia Legal Corporation."

► SEE HOKULIA PAGE 4A

► HOKULIA: PKO surprised by announcement

CONTINUED FROM PAGE 1A

thought we were operating under what all attorneys in Hawaii understand about outside-of-court discussions. This is quite disturbing."

The Web site Hokuliapage.com contains the letter to Yim, the detailed settlement proposal and an open letter to West Hawaii Today from John DeFries, Hokulia chief executive officer. DeFries' letter — which is published on today's op-ed page — said discussion of the mediation and proposed settlement terms are being released following misleading and false statements by the plaintiffs.

A letter by plaintiff Charles Ziberty, which appeared in Thursday's West Hawaii Today, requested "more" attempts by the plaintiffs to find a settlement. PKO also issued a press release following the end of the mediation period which stated it was not against the opening of the bypass highway.

The last mediation session was held in early July, but we have continued since then not to discuss the mediation publicly, hoping to encourage good relations among the parties," said DeFries.

"In the last several days, however, the plaintiffs have issued press releases and written letters to the editor making statements about the mediation process and the positions they allegedly took in the mediation."

The letter to Yim said \$14 million of the \$50 million sought by PKO was for the plaintiffs and counsel. The letter to Yim also states PKO demanded individual counsel would be obligated, in perpetuity, to contribute to a common fund at least 1.5 percent of the proceeds realized when they sold their homes or lots at any future time.

Medeiros said PKO's demands had nothing to do with money, although he confirmed the figure asked for was near \$50 million. "No matter — \$50 million, \$100 million, money would not have started up this project."

However, when asked about the \$14 million PKO sought for plaintiffs and counsel, Medeiros said he was unsure about the legal ramifications of discussing the matter any further and turned the call over to Murakami for comment.

Murakami said he didn't know what Hokulia was trying to accomplish by releasing the material. "The only thing I can figure is to make PKO react, which would be to discuss the mediation."

Murakami said confidentiality in mediation is essential. "Otherwise, why would anyone reveal anything?" he said. "We haven't said anything about this. This is the most I've ever talked to you about this."

According to the letter to Yim, PKO said Hokulia's settlement package had little value for the best interest of the community.

The developer's offer included a scaled-down plan at Hokulia and nearby Keopuka, significant new commitment to affordable housing, a new foundation devoted to advancing education, healthcare, affordable housing and cultural awareness in Kona and creation of a perpetual funding source.

In addition, Hokulia proposed to reconfirm commitment to complete the bypass highway and allocate park and offered to retire many employees laid off after the project was halted. Hokulia also offered to confirm the dedication of 150 acres at Keopuka to conservation.

However, the letter to Yim stated that "PKO takes no position on the completion of the bypass highway, not being convinced that it will relieve any real traffic for local residents."

In response to the offer to retire many terminated employees, the letter said PKO "takes no position," which DeFries said is consistent with the statements made by Medeiros that former employees are better off and in fact looking now that they are no longer under corrupting influence.

The letter to Yim said PKO demanded the developer convey cultural resources at Hokulia to an independent entity, which would then "negotiate a memorandum of agreement with PKO and other appropriate entities to effectuate stewardship responsibilities for the above assets."

At the same time, PKO asked Oceanside to pay all expenses of the entity and to agree that, if necessary, Hokulia "homesteaders" should be assessed a fee to address these costs.

PKO also called on the developer not to fund "any individual or organization, or organization, including efforts to organize or facilitate the organization of Hawaiians or Japanese, seeking to compete with PKO over cultural issues involving the cultural assets."

Medeiros said it was essential for PKO to have control of cultural issues at Hokulia. "They are bad stewards," he said. "We cannot go forward with them as main stewards."

The letter to Yim stated Hokulia indicated from the beginning of the mediation that all the settlement conditions were contingent upon immediate resumption of the development of a scaled-down version of Hokulia.

"You no doubt will also recall the early mediation session, in which we stated that the mediation could not productively continue, unless the plaintiffs were prepared to agree that, as part of the proposed settlement, (general partner) Oceanside 1250 would be allowed to resume development activities at Hokulia," the letter said.

"In response to your observation, the plaintiffs agreed that the proposed settlement would allow Oceanside to resume the development of Hokulia, modified to eliminate the members' lodge and to reduce overall density," it continued.

However, the letter to Yim stated a June 8 e-mail from Murakami said PKO was no longer prepared to agree to such an arrangement.

Late Thursday, Robert D.S. Kim, attorney for Plaintiff and three other plaintiffs in the case, said Hokulia had violated Rule 404, Hawaii Rules of Evidence, and an agreement between the parties to keep the mediation confidential.

However, DeFries said the rule prohibits the side from using items discussed in any court proceeding. He added that the only agreement was that there would not be any communications during mediation.

DeFries added that anyone who entered mediation with secrecy and the best interest of the community in mind should not be concerned about the information being posted.



PROPOSED TERMS SHEET FOR

SETTLEMENT AGREEMENT

KELLY, ET AL. V. 1250 OCEANSIDE PARTNERS

June 18, 2004

(Typographical errors in the original version of this document have been corrected. Exhibits attached to original are not attached in this copy.)

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1.3 Elimination of Hōkūli'a Members' Lodge. During the 1990's, the County of Hawaii (the "County") approved ordinances and took other actions intended to allow Oceanside to develop an 80-unit Members' Lodge within the Hōkūli'a site. Oceanside would agree to forego the development of the Members' Lodge within Hōkūli'a, which would eliminate a significant facility/amenity from the project site and cause Hōkūli'a's character to be more agricultural/rural.

1.4 Limitation on Combined Density of Hōkūli'a and Keōpuka. Under existing zoning, ordinances and/or agreements in effect prior to the County's recent rulings, approximately 730 agricultural lots and 80 lodge units could be developed at Hōkūli'a and approximately 125 agricultural lots could be developed at Keōpuka, representing a combined total of 935 units at the two sites. In recognition of community concerns about density, traffic and the agricultural/rural character of South Kona, Oceanside would agree that not more than a total of 790 homes or homesites would be built at Hōkūli'a and Keōpuka combined (any affordable housing units built at either site would not count against the foregoing total). This provision would insure that the total number of dwellings (excluding any affordable housing) established at Hōkūli'a and Keōpuka would be less than the number of dwellings and lodge units authorized by the County at Hōkūli'a alone.

In order to document these commitments, Pacific Star would record a restrictive covenant (the "Keōpuka Density Covenant") permanently limiting the number of units at Keōpuka to not more than 125, and Oceanside would record a document (the "Hōkūli'a Density Covenant") permanently limiting the number of units at Hōkūli'a to not more than 665, subject to the following provision. In the event that Pacific Star were to elect to modify the Keōpuka Density Covenant to reduce the number of units allowed at Keōpuka, which Pacific Star would have a unilateral right to do, then Oceanside could unilaterally amend the Hōkūli'a Density Covenant to increase the number of units allowed at Hōkūli'a by the same amount as the reduction at Keōpuka. Oceanside would not be permitted, however, to increase the number of units at Hōkūli'a to more than 730. Plaintiffs would have a right to enforce these recorded density limitations.

1.5 No Golf Course or Lodge at Keōpuka. Oceanside is also mindful that some members of the Kona community do not want to see certain uses developed on the Keōpuka property. In order to address these concerns, Oceanside is prepared to cause Pacific Star, and its successors, to forego permanently the development of any golf course or lodge on the Keōpuka property. These limitations on development would be evidenced by a recorded restrictive covenant, which Plaintiffs would have an express right to enforce.

1.6 Donation of 130 Acres at Keōpuka to Conservation, With Limited Use Permitted. Pacific Star, a company owned by Lyle H. Anderson, has already committed to donate, for the benefit of the people of Hawaii, 130 acres of property at Keōpuka (the "Keōpuka Donation Parcel") to an appropriate entity for conservation, on terms that will allow use of the donated property for purposes similar to those contemplated for the shoreline park area at Hōkūli'a. The Keōpuka Donation Parcel is contiguous to the approximately 30 acres of shoreline at Keōpuka that is already in the State land use Conservation District. Oceanside would agree to cause Pacific Star to provide appropriate confirmation of this donation. Given that the Keōpuka Donation Parcel is currently in the State land use Agricultural District and zoned Ag-5, this donation will eliminate the possibility that the Keōpuka Donation Parcel might be developed for

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PROPOSED TERMS SHEET FOR

SETTLEMENT AGREEMENT

KELLY, ET AL V. 1250 OCEANSIDE PARTNERS

INTRODUCTION

This Terms Sheet is submitted by 1250 Oceanside Partners ("Oceanside") to the parties in the Hōkūli'a litigation ("Parties"), as a statement of the terms on which Oceanside would resolve all pending litigation.

This Terms Sheet carries forward most of Oceanside's May 8, 2004 proposal. It also modifies that proposal in certain areas, based upon recent mediation communications.

By way of overview, this Terms Sheet deals first with issues of widespread concern to the Kona community, then speaks to issues of particular concern to Native Hawaiians, particularly descendants of the approximately 1550 acres included within Hōkūli'a, and finally addresses other matters of concern primarily to the Parties. The Terms Sheet is not an agreement. It is Oceanside's earnest hope that the Terms Sheet will assist the Parties in reaching a comprehensive written settlement agreement (a "Mediated Settlement Agreement") that will be acceptable to the Court and beneficial for the Kona community and all of the Parties.

1. Oceanside Would Agree to Complete the Bypass Highway, to Eliminate the Hōkūli'a Members' Lodge and to Reduce Density at Hōkūli'a. Oceanside Would Also Commit to Cause the Owner of Keōpuka to Agree to Limit Overall Density at Keōpuka, to Agree that Keōpuka Would Have no Members' Lodge or Golf Course, to Confirm Donation of the Keōpuka Shoreline Area to Conservation and to Limit Density at Keōpuka Makai of the Old Government Road.

1.1 Background: Community Concerns About Roadway Infrastructure and Density. Plaintiffs and others have emphasized two concerns widely shared within the Kona community: the lack of infrastructure, particularly roadways; and the possibility that future developments in Kona, especially South Kona, may be too dense. In response to these concerns, Oceanside (the developer of Hōkūli'a) would be prepared to agree to do the following, as part of a comprehensive settlement: (i) complete promptly the approximately five and one-half miles of public highway (the "Bypass Highway") that Oceanside was building before the Hōkūli'a project was effectively shut down last September; (ii) eliminate the Members' Lodge at Hōkūli'a; (iii) reduce the permitted density at Hōkūli'a; and (iv) cause Pacific Star LLC ("Pacific Star"), the owner of the Keōpuka property, to agree both that no golf course or members' lodge would be developed at Keōpuka and that not more than 125 dwelling units would be constructed at Keōpuka. Keōpuka, which is located a short distance south of Hōkūli'a, contains about 660 acres. Accordingly, this provision would limit the number of homes at Keōpuka to roughly one home for each five acres.

1.2 Completion of Bypass Highway. Subject to obtaining all of the necessary right-of-way and governmental agency approvals, Oceanside would agree to complete the Bypass Highway promptly, by a date to be established pursuant to Section 24.1.

residential use at some time in the future, as well as create a shoreline parcel at Keōpuka, consisting of 160 acres in total, which will be accessible to the public.

1.7 Limitation on Density at Keōpuka Below the Old Government Road. The area at Keōpuka located makai of the Old Government Road and mauka of the Keōpuka Donation Parcel contains approximately 130 acres. Oceanside would agree to cause Pacific Star to include in the Keōpuka Density Covenant a permanent agreement that not more than 20 home sites would be created at Keōpuka below the Old Government Road, provided that Pacific Star is able to obtain approval for one or more subdivisions at Keōpuka containing a total of 125 residential units.

2. Oceanside Would Make a Significant New Commitment to Affordable Housing.

2.1 Oceanside is Already Providing Significant Public Benefits, but Oceanside is Also Prepared to Contribute Toward Affordable Housing. When the County granted permits and approvals for Hōkūli'a in the 1990's, the County did not require developers of projects like Hōkūli'a to agree to build affordable housing units or to pay in-lieu impact fees. Instead, Oceanside was asked to agree, and did agree, to provide other public benefits. Among other things, Oceanside agreed to build the Bypass Highway, at a cost now expected to approach \$55,000,000 (some of which may be reimbursed in the future), to dedicate to public use a two and one-half mile stretch of historically private coastline, valued at roughly \$11,000,000, to install park improvements (expected to cost about \$5,000,000) in the dedicated area and to maintain and operate the public park and associated improvements in perpetuity. Thus, while Oceanside was not required to make contributions toward affordable housing, Oceanside did agree to devote significant resources to what were considered at the time, and are still considered today, to be pressing community needs.

Plaintiffs and Mayor Harry Kim have noted persuasively that there is a critical need for more affordable housing in the Kona area. Notwithstanding the fact that Oceanside has already committed to make substantial contributions to the Kona community, Oceanside is prepared, at the request of Plaintiffs and Mayor Kim and as part of a comprehensive settlement, to agree to make meaningful contributions toward addressing this important community need as well.

Under the provisions set forth below, Oceanside, Pacific Star and the new Hōkūli'a Foundation would contribute as much as \$23,000,000 or more to a newly formed entity that will be dedicated to providing affordable housing in the Kona area. Various community members, including Plaintiffs, would be invited to serve on the board of directors of this new entity. And because there are not a large number of companies currently building affordable housing in the Kona area, Oceanside would agree to put together a plan, for consideration by the new entity, to build at least 50 affordable housing units in the Kona area.

2.2 A New Affordable Housing Entity Would be Established, Dedicated to Increasing the Supply of Affordable Housing in the Kona Area. Under the Mediated Settlement Agreement, Oceanside would form a new entity (the "Affordable Housing Entity"), the sole purpose of which would be to increase the supply of affordable housing available in the Kona area. The governing documents of the Affordable Housing Entity would provide that the entity's board of directors would consist of nine or more members, including three individuals designated by Plaintiffs, three individuals designated by the County and three individuals designated by

Oceanside. The Affordable Housing Entity would be formed, at Oceanside's expense, and its board of directors would be appointed, within 6 months after the effective date of the Mediated Settlement Agreement. Upon its formation, Oceanside would contribute \$25,000 to the Affordable Housing Entity, to defray its initial general overhead and operating expenses.

2.3 Funding of Affordable Housing Entity. Under the Mediated Settlement Agreement, monies would be contributed to the Affordable Housing Entity from time to time as follows:

2.3.1 Oceanside Would Contribute One-Half of Certain Bypass Highway Reimbursements to Affordable Housing. In 1998, Oceanside entered into a Development Agreement with the County. Under the terms of that agreement, Oceanside is entitled under certain circumstances to receive payments from the County (to be funded from roadway impact fees charged to other developers who benefit from the Bypass Highway) reimbursing a portion of the approximately \$55,000,000 that Oceanside now expects to spend on the Bypass Highway. As part of a comprehensive settlement, Oceanside would agree to contribute to the Affordable Housing Entity one-half of any such reimbursements that Oceanside receives relating to Keōpuka or to any lands located north of Keōpuka. Oceanside might recover as much as \$34,000,000 pursuant to the reimbursement provisions of the Development Agreement, in which event a significant amount, which on certain assumptions could be as much as \$17,000,000, would be contributed to the Affordable Housing Entity pursuant to this provision.

2.3.2 Oceanside Would Contribute at Least \$4,350 Toward Affordable Housing for each Hōkūli'a Lot Sold After the Effective Date of the Mediated Settlement Agreement. Oceanside would agree, upon the sale by Oceanside of any Hōkūli'a lot after the effective date of the Mediated Settlement Agreement, to contribute to the Affordable Housing Entity a sum equal to the amount, if any, by which \$4,350 exceeds any sum(s) that Oceanside may otherwise be required (as a result of proceedings before the LUC pursuant to Section 5.4 below) to contribute toward affordable housing in connection with such Hōkūli'a lot.

Oceanside has already sold approximately 195 Hōkūli'a lots. If Oceanside were to sell a total of 460 additional lots at Hōkūli'a, this provision would result in total contributions to affordable housing of at least \$2,000,000.

2.3.3 Pacific Star Would Contribute at Least \$8,000 Toward Affordable Housing for each Keōpuka Lot. Oceanside would cause Pacific Star to agree that, if Pacific Star were able to subdivide the Keōpuka property to include 125 lots (or such lesser number of lots as Pacific Star may approve), then upon the sale by Pacific Star of any Keōpuka lot, Pacific Star would contribute to the Affordable Housing Entity a sum equal to the amount, if any, by which \$8,000 exceeds any sum(s) that Pacific Star may otherwise be required to contribute toward affordable housing in connection with such Keōpuka lot. If Pacific Star were to sell a total of 125 homesites at Keōpuka, this provision would result in total contributions to affordable housing of at least \$1,000,000.

2.3.4 Further Deposits into the Affordable Housing Account. As provided in Section 7 below, Oceanside would establish the Hōkūli'a Foundation, one purpose of which would be to promote the development, maintenance and use of affordable housing in the Kona area. The Hōkūli'a Foundation would be entitled to receive certain funds pursuant to the

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provisions described in Section 8 below. The Hōkūli'a Foundation would be required to contribute at least one-half of any funds thus received to the Affordable Housing Entity, until such time as \$2,000,000 has been contributed to the Affordable Housing Entity from such funding source. After \$2,000,000 has been contributed to the Affordable Housing Entity from such funding source, the Hōkūli'a Foundation would be required to contribute at least one-fourth of any funds thus received to the Affordable Housing Entity, unless the Affordable Housing Entity agreed that any such funds otherwise to be donated to the Affordable Housing Entity could instead be applied toward other purposes of the Hōkūli'a Foundation.

2.4 Disbursement of Funds by the Affordable Housing Entity. The Affordable Housing Entity would be permitted to disburse funds to support the development, maintenance or use of affordable housing in the Kona area. The Affordable Housing Entity could not spend on general overhead and office expenses, in any year, more than 10% of the amounts received by the Affordable Housing Entity in such year (for this purpose, the \$25,000 provided for in Section 2.2 would not be treated as an amount received by the Affordable Housing Entity).

2.5 Oceanside Would Offer to Cause 50 Affordable Housing Units to be Constructed in the Kona Area Within Five Years. Within two years after the effective date of the Mediated Settlement Agreement, Oceanside would develop, in consultation with the Affordable Housing Entity, a plan to cause at least 50 units of affordable housing to be constructed within the Kona area. The business plan would be prepared on the premises (i) that the Affordable Housing Entity would use its funds, and as when received, to pay when due or to reimburse any costs incurred in connection with the planned affordable housing units and not recovered from the sale, leasing or financing of such units, (ii) that any revenue from the sale, leasing or financing of such units, in excess of costs of such enterprise not otherwise recovered, would be contributed to the Affordable Housing Entity and (iii) that the housing units would be sold or leased on terms which would cause them to qualify as low income housing under the applicable County standards. If the Affordable Housing Entity approves such business plan, then Oceanside would cause the affordable housing units contemplated by such plan to be built within three years after the date of such approval, subject to obtaining the necessary entitlements and approvals, even if the Affordable Housing Entity did not have funds available at the time to pay (or to reimburse immediately) the associated costs. At Oceanside's election, the business plan submitted to the Affordable Housing Entity may provide that the proposed units would be located adjacent to the Kona Scenic Park or elsewhere. In the event that the Affordable Housing Entity were to object to portions of the plan, Oceanside would be obligated to make a good faith effort to address the objections and to submit a modified plan. If Oceanside is not able in good faith to modify the proposed plan to address such objections, or if the Affordable Housing Entity does not approve the modified plan prepared by Oceanside in good faith, Oceanside would have no obligation to implement the plan. In that event, the Affordable Housing Entity would be free to invest all of its receipts in affordable housing projects in which Oceanside is not involved.

3. Oceanside Would Cause the Owner of Keōpuka to Agree that Keōpuka Would Not Become a Gated Community.

3.1 Keōpuka Would Not Become a Gated Community, if Low-Density Development Were Permitted. Plaintiffs and Mayor Kim have expressed a desire that additional "gated communities" be established only on a highly limited basis. In response, Oceanside is prepared to cause Pacific Star to agree that, if Pacific Star is able to obtain the entitlements needed to

subdivide the Keōpuka property to include 125 lots (or such lesser number of lots as Pacific Star may approve), the public would have access to all roads developed within Keōpuka. This commitment would not, however, prevent any Keōpuka lot owner from erecting a gate on any private driveway within the boundaries of his/her lot, nor would it prevent Pacific Star or others from erecting any gates as may be required by law or any governmental agency (such as a gate securing any water or wastewater facilities which may be developed at Keōpuka) or any gates that may be intended to help secure specific improvements (such as a public facility located in the shoreline area and open only during certain hours or a private common area facility). Pacific Star's commitment would be set forth in a recorded document, which by its terms would be enforceable by Plaintiffs against Pacific Star and all of its successors in perpetuity.

4. Oceanside Would Agree to Add More Facilities to the Kona Scenic Park.

4.1 Oceanside Would Add an Additional Three Acres to the Kona Scenic Park. In the 1990's, Oceanside agreed to contribute to the County two acres adjacent to the existing Kona Scenic Park, to give the County an opportunity to add additional off-street parking at the Park. As part of a comprehensive settlement, Oceanside would agree, subject to obtaining the necessary permits and approvals, to donate approximately three more acres to the Kona Scenic Park (the "Park Addition") in addition to the two acres previously committed.

4.2 Oceanside Would Construct Two Pavilions, Public Restrooms and Additional Parking Within the Additional Acreage. Subject to obtaining the necessary permits and approvals, Oceanside would construct, within the Park Addition, two pavilions (roughly 1,000 square feet in one case and 500 square feet in the other), public restrooms and additional parking. Once built, these facilities would be dedicated to the County for use by the public, including Native Hawaiians and others.

5. Oceanside and Hōkūli'a's Residents Would Continue to be Responsible for Most of the Public and Cultural Resources at Hōkūli'a, with Guidance Provided by a Community-Based Advisory Board.

5.1 Guiding Principles and Objectives. The Hōkūli'a site includes a parcel in the State land use Conservation District. This parcel (the "Hōkūli'a Shoreline Parcel") contains approximately 140 acres, which include Pu'u Oahu, near one summit of which Kama'eokalani's burial site is located. Oceanside owns the Shoreline Park Parcel, subject to an agreement with the County, pursuant to which Oceanside covenanted (i) to commit the parcel in perpetuity for use as a public park, (ii) to improve the parcel as a passive park open to the general public and (iii) to convey the parcel (subject to the park agreement) to the Hōkūli'a Owners Association, obligating that association to maintain and operate the park and related improvements at its sole cost in perpetuity.

The Hōkūli'a site also includes a number of other significant archaeological and cultural resources, including about 137 identified burial or possible burial sites. In addition, the State owns a 15-acre parcel, called the "Villages at Hōkūkano," located along the Hōkūli'a shoreline and surrounded by the Shoreline Park. The Villages at Hōkūkano parcel is rich with archaeological sites. Hōkūli'a thus includes significant cultural resources and is planned for

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public use of the shoreline area, which would nonetheless continue to be privately owned and funded.

In addition, before the development of Hōkūli'a began, there were few if any certified descendants of the lands within Hōkūli'a. Today there are over 180 certified descendants, and the number is still growing. Given the number of descendants who are now reestablishing their formal ties to the Hōkūli'a lands, and given the tradition of dealing with key cultural resources in consultation with descendants of the pertinent lands, Oceanside agrees with the criticism made by some that Oceanside made a mistake in the past when it asked a small group of individuals to shoulder responsibility for guiding Oceanside's stewardship of these important cultural resources. Oceanside now understands that there are significant differences of opinion within the group of Hōkūli'a descendants, and that it is important to allow the various viewpoints to be expressed in a way which invites compromise and the reaching of a broad-based consensus.

With this background, the Parties have discussed alternatives for the long-term ownership and management of the public and cultural resources at Hōkūli'a. Mr. James Medeiros, Sr., one of the leaders of Plaintiff PKO, proposed that the Parties agree to designate an independent, highly respected Native Hawaiian trust to own – and, in consultation with Hōkūli'a descendants, Oceanside and others, to manage – some if not all of these public and cultural resources. The Parties subsequently learned that the trust which Mr. Medeiros had in mind is not prepared today to accept the role envisioned by Mr. Medeiros. It also appears that, due to the law applicable to such entities and to those who serve as their trustees, and due to the limited purposes for which such entities are typically formed, other similar entities are unlikely to want to own the pertinent assets, particularly as a result of the related significant responsibilities, obligations and potential liabilities (particularly the Shoreline Park at Hōkūli'a, portions of which are already open to the public and the balance of which must be improved and opened to the public in the future).

The Parties have also explored the creation of a new trust, to own and/or manage these assets. Oceanside would be comfortable with this approach, but only if the newly formed trust included broad-based representation of Hōkūli'a descendants and residents, the Kona community and respected statewide leaders in culture and commerce. In Oceanside's opinion, Plaintiff PKO is seeking more authority in these areas than is consistent with such a broad-based leadership structure for any new trust entity. Oceanside also believes that it will be possible to attract respected statewide leaders to a new trust entity only after the Hōkūli'a controversies have been resolved and the future of Hōkūli'a, upon which the perpetual funding for any new trust would depend, has been further solidified.

Given these circumstances, Oceanside is proposing that Oceanside, and in the future the residents of Hōkūli'a, retain the normal responsibilities of a landowner to manage properly any public and cultural resources on the owner's property. On the other hand, Oceanside understands it is critical that Oceanside and Hōkūli'a's residents consult with, and be guided by, the descendants of the lands and other community leaders. As a result, Oceanside is also proposing to form an advisory committee, with a significant although not exclusive cultural focus. Over time, Oceanside and the residents of Hōkūli'a would work, in consultation with this advisory committee, to establish additional relationships with partners throughout the educational and cultural communities, including particularly trusts and associations affiliated with the legacy of Queen Lili'uokalani. For many years, Oceanside has been planning to open up meaningful shoreline areas to environmentally and culturally responsible public use. The Hōkūli'a property,

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including approximately two and one-half miles of shoreline, was closed to the public, before Oceanside began, together with the County, to plan for use of the shoreline area as a public park. The same was true of Keōpuka, and its one-mile or so of shoreline, before Keōpuka was purchased by a company controlled by Lyle Anderson.

Oceanside and Pacific Star have since developed a long-term plan to open all of the shoreline within the two properties to public access, subject to reasonable limitations. At Hōkūliʻa, Oceanside agreed in the 1990's to convert the 140-acre shoreline area into a public park and to maintain the park in perpetuity, pursuant to a plan approved by the County.

Some time ago, the owners of Keōpuka committed to donate 130 acres of property to conservation. This property is contiguous to the 30 or so Keōpuka shoreline acres already in the Conservation District. The terms of the donation would also permit public access generally to this 160 acres as well, again on reasonable terms.

At Hōkūliʻa and Keōpuka, a total of 300 acres of shoreline property, previously closed to the public, will now be open to all, when the necessary access, sanitation and cultural preservation facilities are designed, permitted and installed and the necessary resource management plans are finalized. These extraordinary coastal areas are also historically significant, and contain a number of cultural sites of great importance.

Oceanside and Pacific Star want to continue to learn from and be guided by the advice of descendants of these properties and other recognized community leaders. If community members work together, these extraordinary coastal resources can support and sustain Native Hawaiian practices and traditions, serve as places for others not steeped in the history of Hawaii to learn more about Hawaii's ancient and more recent customs and offer all who venture there an unparalleled opportunity to experience the extraordinary variety, beauty and richness of coastal Hawaii.

With these goals in mind, the following provisions of this Terms Sheet propose the immediate creation of a new entity (comprised of Hōkūliʻa land owners) to own the Shoreline Park Parcel and the formation of a community-based advisory board to help guide the new entity in its stewardship of public and cultural resources at Hōkūliʻa. The advisory board would include recognized leaders in Native Hawaiian culture and tradition, including descendants of the Hōkūliʻa lands. The new entity would be charged with responsibility, over time, to establish relationships with partners throughout the community, including particularly trusts and associations associated with the legacy of Queen Liliʻuokalani.

5.2 Formation of New Entity. Oceanside would form a new non-profit entity. This new entity (the "Park and Cultural Sites Entity") would be responsible for the preservation, operation, and maintenance of the Shoreline Park and other cultural sites within Hōkūliʻa. Because the Hōkūliʻa lot owners would continue to bear legal and financial responsibility for the Shoreline Park Parcel, they would also be the owners of the Park and Cultural Sites Entity and would select its board of directors.

5.3 Formation of Advisory Board. Oceanside would cause the Park and Cultural Sites Entity to establish an advisory board (the "Advisory Board") whose purpose would be to provide advice and guidance to the Park and Cultural Sites Entity regarding the preservation, operation, and maintenance of the Shoreline Park and cultural sites within Hōkūliʻa. The

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Advisory Board, which would have 20 members, would be comprised of representatives designated by Oceanside, the Hōkūliʻa Community Association, Plaintiffs, other descendants, the kupuna, the County, kuleana owners and other appropriate groups. Oceanside, the Hōkūliʻa Community Association and the Park and Cultural Sites Entity would each agree to provide to the Advisory Board, on a frequent basis, information relating to the status, operation, maintenance and preservation of the Shoreline Park and cultural sites within Hōkūliʻa. Oceanside and the board of directors of the Park and Cultural Sites Entity would be required to consult with the Advisory Board:

5.3.1.1 On all plans, policies and practices relating to the improvement, operation or use of any part or all of the Shoreline Park. In the case of plans, policies and practices to be adopted in the future, and any changes to existing plans, policies and practices, this consultation would occur before such plans, policies, practices or modifications are submitted to any County or State agencies or otherwise finally adopted;

5.3.1.2 On all plans, policies and practices regarding the treatment of cultural, historic and burial sites at Hōkūliʻa. In the case of plans, policies and practices to be adopted in the future, and any changes to existing plans, policies and practices, this consultation would occur before such plans, policies, practices or modifications are submitted to any County or State agencies or otherwise finally adopted;

5.3.1.3 On the choice of any firm or individual retained by Oceanside to conduct archaeological work, or to monitor construction work, at Hōkūliʻa in the future; and

5.3.1.4 On the roles of, and the resources being devoted by, the State and County in the management of cultural, historic and burial sites at Hōkūliʻa.

5.4 Purposes of the Park and Cultural Sites Entity. As set forth in its organizational documents, the permitted purposes of the Park and Cultural Sites Entity would include the following:

5.4.1 Preservation, operation, and maintenance of the Shoreline Park and cultural, historical and burial sites located elsewhere within Hōkūliʻa, in a manner consistent with the provisions of the Shoreline Park Management and Access Plan and the Project Preservation Plan; and

5.4.2 Developing educational materials and programs designed to encourage a deep understanding of and appreciation for the importance of the cultural resources at Hōkūliʻa and developing standards for the proper maintenance of and care for such resources. In particular, these efforts would include the development of an educational package and acclimation program for the benefit of people new to Hawaii or to Kona. Oceanside and Pacific Star would agree to include such materials in the information provided to buyers of homes or home sites at Hōkūliʻa and/or Keōpuka.

5.5 Oceanside Would Cause Pacific Star to Commit to a Similar Approach to Managing the Shoreline Area and Cultural Resources at Keōpuka. Oceanside would cause Pacific Star to agree to establish an advisory board to provide advice and guidance to Pacific Star with respect to the shoreline area and cultural sites within Keōpuka. Pacific Star (and any

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successor owners of Keōpuka or lots within Keōpuka) would be required to consult with this advisory board:

5.5.1.1 On all plans, policies and practices relating to the improvement, operation or use of any part or all of the Keōpuka Donation Parcel or the Keōpuka land now in the State land use Conservation District. In the case of plans, policies and practices to be adopted in the future, and any changes to existing plans, policies and practices, this consultation would occur before such plans, policies, practices or modifications are submitted to any County or State agencies or otherwise finally adopted;

5.5.1.2 On all plans, policies and practices regarding the treatment of cultural, historic and burial sites at Keōpuka. In the case of plans, policies and practices to be adopted in the future, and any changes to existing plans, policies and practices, this consultation would occur before such plans, policies, practices or modifications are submitted to any County or State agencies or otherwise finally adopted; and

5.5.1.3 On the choice of any firm or individual retained by Pacific Star to conduct archaeological work, or to monitor construction work, at Keōpuka in the future.

6. The Parties Would Agree that the Court's Land-Use Rulings Would Stay in Place Insofar as Potential Future Projects are Concerned, but that an Improved Hōkūliʻa Could Proceed, for the Benefit of the Kona Community, the County and the State. Oceanside Would Commit to Rehire Hōkūliʻa Employees and to Apply to the LUC for the Hōkūliʻa Site Generally to be Moved into the Rural District.

6.1 The Court's Land Use Decision Creates Tremendous Risks for the County and State. The Court determined that the Hōkūliʻa project was fundamentally non-agricultural and therefore could not be approved by the County for development primarily in the State land use Agricultural District. The Court then applied this conclusion generally to enjoin further development at Hōkūliʻa, notwithstanding the fact that the County approved the development of Hōkūliʻa through a protracted public process during the 1990's, which resulted (among other things) in the execution of a development agreement; development was well underway (with expenditures totaling approximately \$300 million, including roughly \$30,000,000 on the Bypass Highway); about 195 lots had already been sold; three homes were under construction and approximately 40 additional homes were in design review; and extensive lender financing and title insurance was in place. Given the Court's decision, the validity of similar entitlements granted by the County to other substantial projects during the 1990's is also in doubt.

If the Court's land use rulings stand, the County and State face tremendous risks. In particular, the owners of the roughly 195 Hōkūliʻa lots that have been sold, and their lenders, will no doubt seek relief from the County, the State, Oceanside, title insurers and real estate brokers. As a result, if the land use rulings are not revisited, the County, the State and Oceanside are likely to become embroiled in litigation that clearly has the potential to distract, debilitate and perhaps even bankrupt some of the parties.

Plaintiffs recognize these risks, but they also believe that the Court's interpretation of the State's land use law is fundamentally correct. While the County and Oceanside do not agree with that assessment, all Parties are prepared to stipulate to an Amended Decision, which would

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retain the core land use law analysis, but not apply it to Hōkūliʻa. With this approach, the Stipulated Amended Decision would still be a meaningful precedent in the event that Plaintiffs or others wish to challenge promptly any similar projects approved in the same manner in the future, but the stipulated Amended Decision would effectively bar challenges against the adequacy of the approvals granted by the County to Oceanside. Plaintiffs thus would retain the benefit of the Court's rulings on a prospective basis and obtain for the community the tremendous benefits available through settlement, while also eliminating the risks to the County, the State and others arising out of the application of those rulings to Oceanside – risks that benefit no one.

As part of a comprehensive settlement, Plaintiffs would also obtain concessions and commitments from the defendants, for the benefit of the Kona community and for the advancement of other goals of Plaintiffs. One commitment that would be especially meaningful to all Parties would be a commitment by Oceanside to offer renewed employment to many of the people who were terminated following the Court's land use decision. Oceanside has offered to make such a commitment.

6.2 All Parties Would Ask the Court to Enter an Amended Decision. As part of a comprehensive settlement, the Parties would all agree to ask the Court to enter a Stipulated Amended Decision (in a form approved by the Parties and the Court), which would retain core elements of the Court's analysis of State land use law, but determine that it is too late (based on the legal doctrine of *laches*, equitable estoppel or another recognized doctrine acceptable to the Parties and the Court) to challenge the Hōkūliʻa project based on that analysis. In an appropriate manner, the Stipulated Amended Decision would carry forward the Court's determination that the ordinances authorizing a Members Lodge at Hōkūliʻa—Ordinances No. 97-34, 97-35 and 97-36—are invalid, the legal effect of which the Parties agree would be to cause the site previously designated for the Members' Lodge to revert to Ag-1 zoning and to the General Plan designation that existed prior to the passage of such ordinances. Under the Stipulated Amended Decision, Oceanside would be allowed to move forward with development of Hōkūliʻa, other than the Members' Lodge, in a manner consistent with the Mediated Settlement Agreement.

6.3 Commitment to Rehire Hōkūliʻa Employees. After further development at Hōkūliʻa was generally enjoined last September, Oceanside sadly concluded that it had to terminate approximately 110 employees. The Parties regret deeply this unfortunate consequence of the litigation. As part of a comprehensive settlement, Oceanside would agree, as it remobilizes, to rehire as many of its prior employees as possible to fill positions reestablished at Oceanside.

6.4 Application to LUC to Move Hōkūliʻa Generally into the Rural District. In order to give the State Land Use Commission ("LUC") an opportunity to make statements about (i) the manner in which projects like Hōkūliʻa should be entitled in the future and (ii) the circumstances in which the LUC may be prepared to move marginal agricultural lands (like those at Hōkūliʻa) into the Rural District, Oceanside would agree to file an application with the LUC, on or before December 31, 2005, to change the State land use designation for those portions of the Hōkūliʻa site which are not currently in the Conservation District. The application would request that the portion of the Hōkūliʻa site currently not in the Conservation District, with the exception of the Bench Area (defined below in Section 9.2) and the Pu'u Ohau Cultural Area (defined below in Section 9.3), be moved into the Rural District, and that the Bench Area and Pu'u Ohau Cultural

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Area be moved into the Conservation District. The application would also limit the uses of, and the density at, the Hōkūliʻa site, in a manner consistent with the terms of the Mediated Settlement Agreement. The County would agree to support Oceanside's application.

The Parties understand that the LUC often imposes certain conditions upon amendments of the type that Oceanside would be seeking pursuant to the provisions described in this Section 6.4. In particular, the LUC often conditions the approval of any proposed redistricting upon the applicant agreeing to make contributions to regional traffic needs, to affordable housing and to local education needs. The Parties would agree that Oceanside's existing commitment to construct the Bypass Highway entails a regional traffic contribution substantially in excess of that typically required by the LUC, and that Oceanside's contributions to affordable housing pursuant to the provisions described in Section 2.2 and 2.4 above would also exceed those typically required by the LUC. Oceanside nonetheless agrees that, in the event the LUC were prepared to approve the redistricting application, but only on the condition that Oceanside agree to make the contribution to local education needs typically required as of the date of this Terms Sheet (about \$4,000 per unit), Oceanside would accept the additional condition. The Parties would also agree, however, that Oceanside could withdraw its redistricting application (and would nonetheless have the right to continue developing Hōkūliʻa in the Agricultural District) if the LUC were to propose any other material condition or if LUC approval would result in any other material condition under applicable law, including any density restriction, condition, or exaction, that is not authorized by or consistent with this Terms Sheet. The LUC could, however, impose conditions requiring Oceanside to satisfy any unsatisfied conditions heretofore imposed by the County or any commitments made by Oceanside in the Mediated Settlement Agreement, and Oceanside would agree not to withdraw its redistricting application based on the imposition of any such conditions. If the LUC were to grant the requested redistricting on terms and conditions accepted by Oceanside, the County Administration would agree to take such actions as may be required to allow the County Council to vote upon an ordinance amendment and/or such other appropriate documents as may be required to remove the agricultural requirements from any ordinances and other approvals relating to Hōkūliʻa, including without limitation Hawaii County Ordinance 96-8.

6.5 Confirmation of Continuing Implementation of Agricultural Plan. Oceanside is also prepared to offer additional assurances that the Hōkūliʻa agricultural plan will continue to be implemented, for so long as Hōkūliʻa remains within the Agricultural District. To that end, the Mediated Settlement Agreement would require: (i) that agricultural activities be conducted on certain Hōkūliʻa common areas and on each Hōkūliʻa lot; (ii) that Oceanside continue to install the improvements needed to provide non-potable irrigation water to each Hōkūliʻa lot for agricultural use; (iii) that the aggregate area to be utilized for agriculture in each Hōkūliʻa lot phase be at least 20% of total lot area in such phase; (iv) that agriculture be planted on each Hōkūliʻa lot prior to occupancy of any home on such lot; and (v) that, when it applies for approval of any future Hōkūliʻa subdivision, Oceanside submit to the County a specific plan identifying the area to be cultivated in such subdivision and the plant materials to be grown in such areas. The foregoing notwithstanding, the obligations described in this Section 6.5 would terminate if (i) the LUC were to grant and Oceanside were to accept the land use boundary amendments contemplated by Section 6.4 above or (ii) if Hawaii State law were to be amended in such a manner that homes on lands like those present at Hōkūliʻa were no longer required to be "farm dwellings."

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7. The Hōkūliʻa Foundation Would be Established, Devoted to Addressing Needs of the Larger Kona Community

7.1 Background. In communities developed elsewhere by affiliates of Oceanside, the residents have become active, contributing members of the host community. That is proving to be especially true at Hōkūliʻa, where early owners have demonstrated they are anxious to make meaningful contributions to the community.

In recognition not only of this existing desire to contribute, but also of Oceanside's willingness to make certain additional contributions, Oceanside would form the Hōkūliʻa Foundation as part of a comprehensive settlement. The Foundation's purposes would be broad, in order to create a vehicle for Hōkūliʻa residents and others to pool their contributions and direct them toward a variety of community needs. The Foundation would also be obligated to make a meaningful contribution to affordable housing in Kona.

7.2 Formation of Foundation. Oceanside would establish a tax-exempt foundation whose purposes would include: advancement within the Kona community of affordable housing, health care, education and Native Hawaiian culture. The Board of Directors of the Foundation would consist of a diverse group of approximately 15 community-minded individuals, including individuals designated by the Hōkūliʻa Community Association, any owners association formed for Keōpuka, Plaintiffs, and the County Administration.

7.3 Commitment to Cause Certain Funds to be Provided to Foundation; Use of Such Funds to Support Affordable Housing. The Hōkūliʻa Foundation would receive certain funds pursuant to the provisions described in Section 8 below. A portion of those funds would be dedicated to supporting the development, ownership and use of affordable housing in Kona.

7.4 Other Funds Provided to Hōkūliʻa Foundation. Based on the experience of its affiliates elsewhere and the past practice of Hōkūliʻa's initial lot owners, Oceanside expects that additional funds, beyond those contemplated by Section 8 below, would be contributed to the Hōkūliʻa Foundation from time to time. The Hōkūliʻa Foundation could use any such funds for any purpose described in Section 7.2 above.

8. A Portion of Hōkūliʻa and Keōpuka Sale and Resale Proceeds Would be Dedicated In Perpetuity to Community Needs, Including Cultural Preservation.

8.1 Background. As part of a comprehensive settlement, Oceanside would be prepared to commit, for use in support of community causes, a portion of any proceeds from future sales and resales of lots and homes at Hōkūliʻa. In addition, Oceanside would be prepared to cause Pacific Star to make a similar commitment with respect to future sales and resales of any lots and homes developed at Keōpuka.

Half of these funds would go to the Hōkūliʻa Foundation, and the other half would go to the Park and Cultural Sites Entity (or its Keōpuka counterpart), to be used by them to pursue their different but complementary purposes. As Hōkūliʻa and Keōpuka began to mature (assuming that Keōpuka were to be developed to include 125 homesites), the funding sources described below might be expected to produce as much as \$1,000,000 a year or more in perpetuity to support these important community goals.

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8.2 Hōkūliʻa Transfer Fee Fund. The Hōkūliʻa CC&R's would be amended to provide that one-half of one percent of the proceeds from the future sale or resale at any time of any Hōkūliʻa lot and any improvements thereon would be contributed to a fund (the "Hōkūliʻa Transfer Fee Fund") from which disbursements would be made as follows:

8.2.1 Fifty percent of any amounts deposited in the Hōkūliʻa Transfer Fee Fund would be paid to the Park and Cultural Sites Entity, to be used by such entity in pursuit of the purposes described in Section 5.4 above.

Fifty percent of any amounts deposited in the Hōkūliʻa Transfer Fee Fund would be paid to the Hōkūliʻa Foundation, for use as described in Section 2.4.4.

8.3 Exception for Existing Lot Owners. The Parties recognize that there would be one exception to the general rule stated in Section 8.2; no amount would be contributed to the Hōkūliʻa Transfer Fee Fund upon the next resale of any Hōkūliʻa lot owned by an independent third party as of the effective date of the Mediated Settlement Agreement, unless such third party were to elect to make such a payment. This exception would recognize the fact that Oceanside is not in a position to make a commitment on behalf of individuals who buy lots before the Hōkūliʻa CC&R's are modified to provide notice that such payments will be required in the future.

8.4 Keōpuka Participation. Prior to the sale of agricultural lots or other homesites at Keōpuka, Oceanside would cause Pacific Star to adopt CC&R's containing provisions providing that, upon the sale or resale at any time of any home site or home at Keōpuka, one-half of one percent of the proceeds would be contributed to another transfer fee fund (the "Keōpuka Transfer Fee Fund"). The Keōpuka CC&R's would further provide that fifty percent of any amounts deposited in the Keōpuka Transfer Fee Fund from time to time would be paid to the Hōkūliʻa Foundation and the other fifty percent would be paid to the Park and Cultural Sites Entity or to any entity performing a similar function with respect to the shoreline area and cultural sites at Keōpuka.

9. Areas at Hōkūliʻa of Particular Concern to Plaintiffs Would be Added to the Puʻu Ohau Preserve.

9.1 Background. The Hōkūliʻa site includes Puʻu Ohau, located adjacent to the shoreline. The summit of Puʻu Ohau is in both the State land use Conservation District and in the 140-acre area that Oceanside has agreed to set aside and develop as the public Shoreline Park. The burial site of Kāmaʻeokalani is located near the summit of Puʻu Ohau, within the Conservation District.

On the north side of Puʻu Ohau, located about 120 feet below the summit, there is a relatively flat area, or bench, which is in the State land use Agricultural District. The preliminary archaeological evidence indicates that at least some of this area was used historically for habitation purposes.

Throughout the public planning process for Hōkūliʻa, this bench area was shown as part of the area available for development. In 2000, the County approved Oceanside's phase two plat, which includes five lots on this bench.

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The green for the second hole of the Hōkūliʻa golf course is built on a relatively flat area located north of, and at a somewhat lower elevation than, the bench. The grassed area south of the green covers a portion of the slope between the green and the bench; there are also sand traps and a cart path on this slope. These golf course areas are in the State land use Agricultural District, and no archaeological or burial sites were found in these areas prior to (or during the course of) construction of the golf course.

Puʻu Ohau, the lots on the bench on the north side of Puʻu Ohau and the second hole of the golf course, are depicted on Exhibit 1 attached hereto.

In 1999, members of the Keohokālole Ohana approached Oceanside, and asked that special measures be taken to honor and protect the burial site of Kāmaʻeokalani. In response, Oceanside included in its proposed Burial Treatment Plan a commitment to build a six-foot wall around the base of Puʻu Ohau. Oceanside and members of the Keohokālole Ohana understood that the wall would be constructed at an elevation of between 100 and 110 feet (close to the lowest elevation of the mauka side of Puʻu Ohau's summit), generally in the location depicted on Exhibit 1. Some members of the Hawaii Island Burial Council, which recommended to the Department of Land & Natural Resources ("DLNR") that DLNR approve the proposed Burial Treatment Plan, understood that the wall would be located at a lower elevation.

In connection with the Court proceedings, DLNR was called upon to interpret the relevant Burial Treatment Plan provisions and determine where the wall should be located. DLNR issued its decision in 2003, finding that the intent of the parties, and the meaning of the Burial Treatment Plan, was that the wall should be constructed in the location shown on Exhibit 1. Plaintiffs PKO and Kelly have since filed a separate lawsuit, challenging that determination. Plaintiffs are asking that, on the north side of Puʻu Ohau, the wall be constructed at the 30-foot elevation, which would eliminate the lots on the bench as well as the cart path, sand traps and a portion of the grassed area on the south side of the second green.

In order to resolve these disagreements, Oceanside is prepared to abandon the five bench lots and add them, along with an additional area containing approximately six acres mauka of Puʻu Ohau, to the Puʻu Ohau preserve. Oceanside is not prepared, however, to relocate any portion of the second hole.

9.2 Conservation Easement on the Bench Area North of Puʻu Ohau's Summit. Oceanside recognizes that Plaintiffs and some other community members believe strongly that it would not be appropriate to develop lots in the area (the "Bench Area") included within Lots 26-30 (the "Bench Lots") as depicted on Oceanside's Phase 2 lot plat. In response to these sentiments, Oceanside is prepared to agree to forego development of the Bench Lots, as part of a comprehensive settlement.

9.3 Addition of Still More Acreage to Puʻu Ohau Preserve. Oceanside would also be prepared to agree to forego development of an area comprised of approximately 6 acres, contiguous to, and on the mauka side of, the Puʻu Ohau preserve (the "Puʻu Ohau Cultural Area"). The Puʻu Ohau Cultural Area is generally depicted on Exhibit 2 attached hereto.

9.4 Conservation Easement on Bench Area and Puʻu Ohau Cultural Area. As part of a comprehensive settlement, a conservation easement would be recorded over the Bench Area and the Puʻu Ohau Cultural Area, allowing improvements to be installed in the affected areas

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only as may be agreed by Oceanside and Plaintiffs. Recordation of the conservation easement would be a condition precedent to the effectiveness of the Mediated Settlement Agreement.

9.5 Oceanside Would not be Required to Modify the Golf Course. In recognition that Oceanside is prepared to accept Plaintiffs' preference that the Bench Area not be developed as home sites, the Parties would agree that the golf course, including particularly the second hole and the related cart paths and sand traps, may remain intact, as it exists today.

9.6 Oceanside Would Commit to Plaintiff PKO to Build the Pu'u Wall at a Specified Location. Oceanside would also agree with Plaintiff PKO, as part of the Mediated Settlement Agreement, to erect a six-foot wall on a new alignment, shown on Exhibit 1 attached hereto, which would include approximately 22.8 more acres in the area enclosed by the wall (as compared to the wall location approved by DLNR). Oceanside and PKO acknowledge that questions have been raised as to whether a six-foot wall is culturally the most appropriate way to honor the burial site of Kāma'eokalani, whether the footings needed to support a six-foot wall can be installed without causing damage to, and disfiguring, the area around the base of the wall and whether such a wall would result in erosion in the event of heavy rains. Given these concerns, Oceanside and Plaintiff PKO intend to continue a dialogue with other interested individuals, to determine if there is a better alternative to such a wall, which would achieve the same objective in perhaps a more appropriate manner.

9.7 Use of Conservation Areas. The Parties would agree that activities within the Bench Area, the Pu'u Ohau Cultural Area and areas now in the Conservation District would be consistent with all applicable laws, including but not limited to, the requirements of Hawaii Revised Statute Chapter 183C.

9.8 Maintenance of Vegetation Affecting Burial Site of Kāma'eokalani. As the owner of the Shoreline Park, Oceanside would agree to apply to DLNR for any amendment to the Conservation District Use Agreement which may be needed to permit the owner of such lands and such owner's designees to trim or remove from time to time any vegetation overhanging, or preventing appropriate access to, Kāma'eokalani's burial site. Oceanside agrees to develop, in consultation with Hōkūli'i's descendants, a culturally appropriate protocol for trimming or removing from time to time any vegetation overhanging, or preventing appropriate access to, such burial site.

9.9 Removal of Non-Indigenous Plants. Oceanside would also agree to consult with certified lineal descendants about removing the non-indigenous plants located on Pu'u Ohau and replacing them with native plants. In the event that there is a consensus among the descendants in favor of such a plan, and any required permits and approvals can be obtained, Oceanside would implement the plan.

10. Oceanside Would Convey the Contested Trail at Hōkūli'i to the State.

10.1 Background. The Hōkūli'i site includes remnant segments of a trail comprised of rounded stones. Plaintiffs contend that the remnants were part of the Ala Loa Trail, which encircled the island of Hawaii, and that the trail is owned by the State. The Court entered a decision agreeing with Plaintiffs, and Oceanside appealed that decision.

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DLNR takes the position that there is insufficient evidence to determine whether the trail remnants at Hōkūli'i were part of the ancient Ala Loa. Oceanside agrees with DLNR, and also believes that there is insufficient evidence to support the legal conclusion that the State owns the trail.

Oceanside is nonetheless prepared to convey the trail to the State, based on the trail alignment specified by DLNR, which includes all intact trail segments. Oceanside is also prepared to agree to restore segments of the trail, as requested by Plaintiffs, and to bear in perpetuity the cost of maintaining the trail, through the Hōkūli'i site, again as requested by Plaintiffs. In return, Oceanside would need to obtain reasonable trail crossings, on the same terms as have been applied to other similar trail crossings in other areas of west Hawaii. Without such crossings, significant parts of the Hōkūli'i site would be inaccessible and/or unusable.

10.2 The State Would Own the Trail. As part of a comprehensive settlement, Oceanside would agree to convey to the State title to the trail that is the subject of a pending appeal (the "Trail") based on the alignment previously submitted to the Court by DLNR. The area that would be conveyed to the State is depicted on Exhibit 3 attached hereto (the "Trail Area"). DLNR would designate the Trail Area as a preservation site on terms permitting only pedestrian use of the Trail Area, except for any crossings of the types contemplated by Section 10.7 below.

10.3 Oceanside Would Restore Trail Segments. In some portions of the Trail Area, there are no rounded stones, indicating that historic trail stones may have been removed at some time in the past. Oceanside would apply to DLNR for authority to place new rounded stones, shaped to resemble the remnant stones, in the areas depicted on Exhibit 4, in order to create a continuous trail segment, varying in width from three to five feet, through the area depicted on Exhibit 4, which runs generally from a tee box on the second hole of the Hōkūli'i golf course to the southern end of the Hōkūli'i site. As part of its application, Oceanside would submit to DLNR a set of proposed plans for such work, a copy of which proposed plans Oceanside would also provide to Plaintiff PKO. Before DLNR takes any action with respect to such plans, PKO would be allowed a period of at least 30 days to comment upon such plans.

10.4 Oceanside Would Create A Trail Buffer. Oceanside would establish as a buffer zone an area five feet in width on each side of the Trail Area centerline. Except as provided in the following sentence, no improvements would be placed within the buffer zone, other than the Trail segments to be created by Oceanside pursuant to Section 10.3, any trail crossings approved by DLNR and landscaping which does not interfere with use of the Trail. In the event that any existing tee boxes or other golf course improvements are located within the buffer zone, those improvements would be allowed to stay in place.

10.5 Oceanside Would Create and Maintain Two Interpretive Sites Close to the Trail. In addition, Oceanside would establish, and agree to maintain in perpetuity, two interpretive areas alongside existing remnant trail segments located in the southern third of the Trail Area, available for public access from the Shoreline Park. The proposed locations of these interpretive sites are depicted on Exhibit 4 attached hereto. Oceanside would prepare a set of proposed plans for the interpretive areas. Before Oceanside begins any construction of the interpretive areas, Oceanside would provide a set of such plans to Plaintiff PKO and give Plaintiff PKO a period of at least 30 days to comment on such plans.

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10.6 Oceanside Would Maintain the Trail and Trail Area. Oceanside would cause the Park and Cultural Sites Entity to enter into an agreement with DLNR to be responsible, under supervision by DLNR, for maintenance/preservation of the Trail and of the Trail Area.

10.7 Oceanside Would Install Signs Warning Golfers and Trail Users of One Another's Presence. Oceanside would install signs on the Hōkūli'i golf course advising golfers that others may be present in the area in connection with the Trail, that their presence is to be respected and that care should be taken not to put such people at risk by virtue of golf play. Oceanside would also post signs along the Trail Area, and in the adjoining interpretive areas, advising persons in those areas that golf is being played in the vicinity and that they should be aware of the associated risks.

10.8 Oceanside Would be Granted Reasonable Trail Crossings, Consistent With Practices Followed Elsewhere on the West Coast of the Island of Hawaii.

10.8.1 Reasonable Crossings. Plaintiffs would agree that Oceanside would be permitted easements for at-grade ingress and egress over, and easements for underground utilities beneath, specified portions of the Trail Area, on terms consistent with standard practices evidenced by similar crossings at other locations along the west coast of the Island of Hawaii.

10.8.2 DLNR to Process Applications Expeditiously. DLNR would agree to process expeditiously, and in accordance with applicable law, Oceanside's application for access and utility easements on the terms described in Section 10.8.1, in the locations specified in Exhibit 5 attached hereto and at such other locations as may reasonably be required in the future.

10.8.3 PKO May Review and Comment on Oceanside Applications. Oceanside would provide Plaintiff PKO with all current and future applications for easements pertaining to the Trail Area and allow Plaintiff PKO a thirty-day period to comment on such applications. To the extent feasible and reasonable, Oceanside would endeavor to modify Oceanside's applications to incorporate any comments and recommendations submitted by Plaintiff PKO. Plaintiff PKO could also submit its comments and recommendations to DLNR. Plaintiffs would agree, however, not to initiate, request, file, fund, support or participate in any challenge to Oceanside's applications for access and utility easements or DLNR's determinations with respect to such applications.

10.9 Oceanside Would Dismiss its Trail Appeal. Oceanside would dismiss with prejudice its appeal of the Court's Trail decision.

10.10 Old Cart Road. Oceanside and DLNR would agree that the State owns the Old Cart Road and that the Old Cart Road alignment at Hōkūli'i runs from the southern boundary of the Hōkūli'i site to Pu'u Ohau along the alignment identified as Site No. 17189, as depicted on Exhibit 5 attached hereto. Oceanside would cause the Park and Cultural Sites Entity to enter into an agreement with DLNR to be responsible, under supervision by DLNR, for maintenance/preservation of the Old Cart Road within Hōkūli'i as a public pedestrian access trail. Oceanside would grant an easement to DLNR for a pedestrian connector between the Old Cart Road and the Old Government Road in the vicinity of Pu'u Ohau/Road I-3.

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11. Oceanside Would Take Additional Steps to Protect Native Hawaiian Burial Sites at Hōkūli'i.

11.1 Background. Today, there are a total of approximately 137 identified burial sites or possible burial sites within the 1550-acre Hōkūli'i property. All of the burials located at these identified sites are to be maintained in place, with one pending potential exception. Oceanside has filed an application to relocate one burial, discovered during the course of construction. This burial is located in the alignment of the Bypass Highway.

The Hōkūli'i site was used for cattle ranching before development planning and related pre-development fieldwork began. Much of the property was chain-drag during the cattle-ranching era, which may have adversely impacted archaeological and burial sites on the property. As required by law, Oceanside retained an archaeology firm to do an archaeology inventory survey, before any development work began. The property's past uses, together with the dense vegetation on the site, made it especially challenging to identify and properly assess archaeological and burial sites on the property. For his work, Oceanside selected a firm recommended by DLNR. The work, and the related review by DLNR, took four years to complete.

The archaeology inventory survey identified most of the burial or possible burial sites known to exist today, and it identified a number of potential burial sites which, upon testing, have turned out not to be burial sites. As is typical with surveys of large areas, some additional burial sites and potential burial sites have been discovered during follow-up archaeological work, clearing and construction.

As is normal and required in such cases, Oceanside continued, after the initial archaeological inventory survey was completed, to engage in further archaeological fieldwork. In order to facilitate review and use of the resulting data, DLNR directed Oceanside to present the additional information in a series of "block reports," based upon a division of the Hōkūli'i site into several separate areas or "blocks." While many of the block reports have been finished, a few are still in process. The unfinished block reports cover virtually all of the land which is to be included in future Hōkūli'i subdivisions.

Plaintiff PKO has indicated that it believes pre-development archaeological work should not be done under the direction of private land owners, but should instead be done under the direction of the State, with heavy participation by Native Hawaiians. Plaintiff PKO requested that Oceanside agree to allow PKO to undertake a comprehensive new archaeological survey of the entire Hōkūli'i property owned by Oceanside and that Mr. Medeiros be given the authority to determine that particular sites are burial sites, even if his conclusion was not shared by the archaeologist selected by PKO to participate in the new survey. Oceanside respectfully believes that no developer could agree to such a proposal, particularly with respect to a development which is already underway.

Plaintiff PKO has asked Oceanside to agree that no burials will ever be relocated at Hōkūli'i, including burials discovered during the course of construction. Oceanside respectfully believes that no developer, and no governmental authority responsible for the development of any substantial project or facility, could make such a commitment.

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Plaintiffs have also been critical of the monitoring efforts made by Oceanside, to detect quickly any previously unknown burial sites that might be uncovered during the course of construction. In addition, Plaintiffs have asserted that DLNR is understaffed to monitor compliance with State burial laws on a 1550-acre project like Hōkūli'i. In order to address these concerns, Oceanside was bearing the cost of two DLNR staff persons, assigned full-time to Hōkūli'i, and employing a number of construction monitors, when further development was generally enjoined last September. As part of a comprehensive settlement, Oceanside has offered to continue to support DLNR in this fashion.

While Oceanside is not in a position to do some of the things requested by Plaintiffs, there a number of other things that Oceanside is prepared to do in a good faith effort to address Plaintiff PKO's concerns. First, the unfinished block reports cover virtually all of the areas to be included in future subdivisions at Hōkūli'i. Oceanside is prepared to agree that the unfinished block reports, and the lava tube resurveys which Oceanside is also conducting, would be reviewed by a second archaeologist selected by Oceanside, after consultation with the Advisory Board as contemplated by Section 5.3 above. Oceanside is also prepared to agree that any burials identified in the unfinished block reports or unfinished lava tube resurveys would be treated as "previously known," and thus be subject to the jurisdiction of the Hawaii Island Burial Council.

11.2 The Unfinished Block Reports and Lava Tube Resurveys Would be Subjected to Peer Review. As part of a comprehensive settlement, Oceanside would agree to consult with the Advisory Board on the selection of one or more archaeologists and/or cultural specialists to review any unfinished block reports and lava tube resurveys. After this consultation, Oceanside would retain an archaeologist and/or cultural specialist to review and comment upon the unfinished block reports and lava tube resurveys. Before such reports are submitted to DLNR for review, Oceanside would cause the individuals preparing the block reports or lava tube resurveys to address any concerns or criticisms made in such reviews.

11.3 Treatment of Burial Sites Discovered in the Future. As part of a comprehensive settlement, Oceanside would agree that:

11.3.1 All burial sites identified in the block reports and lava tube resurveys yet to be completed would be treated as previously identified.

11.3.2 With the exception of those burials identified in the block reports and lava tube resurveys described in Section 11.3.1, all burial sites identified after the effective date of the Mediated Settlement Agreement on the Hōkūli'i site, and all burial sites located in the existing alignment for the Bypass Highway, would constitute inadvertent discoveries within the meaning of HRS § 6E-43.6 and Haw. Admin. R. § 13-300-2 and would be treated in accordance with HRS § 6E-43.6 and Haw. Admin. R. § 13-300-2.

11.4 Oceanside Would Extend the Time Allowed for DLNR to Determine the Appropriate Treatment of Inadvertently Discovered Burial Sites. In the case of any inadvertent discovery of a burial on any portion of the Hōkūli'i site owned by Oceanside, or in the current alignment for the Bypass Highway, Oceanside would automatically grant DLNR a 60-day extension of time in which to gather sufficient information, including oral tradition, to document the nature of the burial context and to determine appropriate treatment of the remains.

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11.5 Oceanside Would Continue to Fund DLNR Staff Positions. In order to assist DLNR, Oceanside would continue to fund in full two DLNR staff positions: one burial staff position and one position for reviewing archeological reports and performing various compliance oversight tasks. The job descriptions for such positions are attached hereto as **Exhibit 6**. The persons assigned by DLNR to these positions would focus primarily on Hōkūli'i, but could work on other matters and projects as time and circumstances permit. Funds for each position would be paid on a quarterly basis. Funding of the burial staff position would terminate upon Oceanside's completion of the Bypass Highway and construction of all Hōkūli'i infrastructure. Funding of the archeological staff position would terminate on December 31, 2006.

11.6 DLNR Would be Allowed to Make Decisions on Applications Pending With Respect to Particular Sites.

11.6.1 Site No. 21833. The burial located at Site No. 21833 is located in the alignment of the Bypass Highway and was discovered during the course of construction. After the burial at Site No. 21833 was discovered, and at the request of DLNR, Oceanside consulted with the descendants of the lands within Hōkūli'i. A majority of the descendant-respondents favor relocating this burial to a contiguous site, just makai of the Bypass Highway alignment. Plaintiffs, on the other hand, have requested that Oceanside redesign and rebuild the Bypass Highway, so as to avoid the burial site. Oceanside has concluded that, given the topography of the area, the Bypass Highway could not be realigned in a manner that would comply with applicable safety standards. Oceanside is also concerned that, in building any realigned Bypass Highway, one or more additional unknown burials might be discovered, giving rise to the same issues presented by Site No. 21833. Taking these facts into account, Oceanside proposes that, as part of a comprehensive settlement, the Parties agree that Site No. 21833 would be treated as an inadvertent burial site, and that DLNR has the authority to approve Oceanside's pending application to relocate such burial to an area immediately makai of the existing Bypass Highway alignment. In the event that DLNR were to approve Oceanside's application, Plaintiffs would agree not to contest such decision.

11.6.2 Site No. 16478. Site No. 16478 is a lengthy lava tube, which contains burial remains in one area. Under the approved Burial Treatment Plan, Oceanside is to install and maintain a twenty-foot buffer around this entire lava tube.

Oceanside has applied for a variance from the Burial Treatment Plan, to allow Oceanside to install infrastructure above this lava tube, at a location approximately 400 feet from the burial remains. This crossing would not intrude upon any area within twenty feet of the surface area above the burial, and thus would be outside the buffer that would be installed, if the burial in question were located on or just below the surface. As part of a comprehensive settlement, Oceanside proposes that the Parties would agree that DLNR has the jurisdiction and authority to modify the buffer for and permit Oceanside to traverse Site No. 16478 for infrastructure purposes, in accordance with the written request previously filed by Oceanside. Plaintiffs would agree not to contest any decision that DLNR might make in response to Oceanside's application.

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12. Oceanside Would Take All Practical Steps to Preserve the Entirety of any Lava Tubes That Contain Burials.

12.1 Background. The Hōkūli'i site contains a number of lava tubes, some of which contain burial sites. In early 2000, Oceanside agreed to a Burial Treatment Plan which states that Oceanside (i) will preserve the entirety of any lava tube which contained a burial and (ii) install and maintain a surface buffer encompassing an area twenty feet on all sides of each burial lava tube.

When the Burial Treatment Plan was finalized, Oceanside believed that it was aware of all significant lava tubes on the Hōkūli'i site and that it knew the location and extent of those tubes, based on the surveying and mapping work that had been done at that time. With that understanding, Oceanside believed it was in a position to go beyond the requirements of law, and agree to preserve the entirety of lava tubes known to contain burials.

Oceanside has since learned that some of the known lava tubes were not mapped accurately. In addition to learning that known chambers were not mapped correctly, Oceanside has also determined that some known lava tubes contain chambers that were not identified in the early mapping and that the Hōkūli'i site contains lava tubes which were not identified when the Burial Treatment Plan was approved.

Under these circumstances, Oceanside has asked DLNR to approve a limited number of exceptions to the Burial Treatment Plan, in order to allow Oceanside to cross or breach specific burial lava tubes at points a considerable distance away from any known burials. Oceanside also understands, however, that the commitment made in early 2000 was meaningful to members of the Hawaii Island Burial Council, which it considered the proposed Burial Treatment Plan. As a result, Oceanside would like to propose a compromise, which would give weight to the commitment made in early 2000 but also recognize both DLNR's authority to grant variances from Burial Treatment Plans and the practical necessity of being allowed to cross lava tubes in certain circumstances, so long as actual burial remains, and their immediate environs, are not impacted.

12.2 Oceanside Would Agree With the Plaintiffs Not to Request Any Additional Variances Over Burial Lava Tubes Correctly Mapped by Early 2000. As part of a comprehensive settlement, Oceanside would agree not to apply to DLNR for any additional variances that would allow Oceanside to cross or breach any portion of any burial lava tube identified by the date of the Burial Treatment Plan, as such lava tube was mapped at the time. In other words, Oceanside would not apply for any additional variances from conditions known when the Burial Treatment Plan was approved. **Exhibit 7** attached hereto is a map, showing the location of the lava tubes known in early 2000 to contain burials, as well as the extent of such tubes as mapped in early 2000.

12.3 Oceanside Would Also Attempt to Minimize Any Variances With Respect to Burial Lava Tubes First Discovered After Early 2000 or Incorrectly Mapped as of Early 2000. With respect to burial lava tubes discovered after March of 2000, and portions of burial lava tubes missed or incorrectly mapped before March of 2000, Oceanside would agree to use all practical efforts to avoid applying for any further variances from the Burial Treatment Plan. In the event that Oceanside applies for any variances in the future, Oceanside would provide a copy

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of the application to Plaintiff PKO, at the same time that the application is filed with DLNR. Plaintiffs would agree not to initiate, request, file, fund, support or participate in any administrative appeal, litigation or legal action relating to any application which Oceanside has filed or may file seeking waiver or amendment of the provisions of the March 2000 Burial Treatment Plan relating to the protection of the entirety of previously known lava tubes containing burial sites, provided that Oceanside's proposed treatment of any lava tube that is subject to the application or amendment is consistent with the statutory definition of "burial site" in HRS § 6E-2, as interpreted in the Attorney General's opinion regarding the protection of lava tube burial sites dated May 9, 2001.

13. Descendants Would Have Extensive Access to Cultural Sites at Hōkūli'i

13.1 Background. Oceanside wants descendants to have extensive access to burial and other important cultural sights within Hōkūli'i, as well as the opportunity to engage in religious and cultural ceremonies at those sites. Oceanside also wants the owners of homes in Hōkūli'i to enjoy an appropriate level of privacy and control over the grounds around their homes. Over time, particular homeowners and descendants will no doubt come to know and respect each other and to extend hospitality and courtesies to one another, but as a starting point mutually accommodative procedures need to be agreed to and put into operation.

13.2 Descendant Access Plan. As part of an overall settlement, Oceanside would propose that lineal and cultural descendants have access to burial and other cultural sites within Hōkūli'i, and to other specified areas within Hōkūli'i, based on the following principles:

13.2.1 With respect to burial sites located within a subdivision and within 100 feet of a finished home, descendants would have access on any day, from sunrise to sunset, for the purposes of caring for and worshipping the burial remains.

13.2.2 With respect to burial sites located within a subdivision but not within 100 feet of a finished home, descendants would have access at all times, for the purposes of caring for and worshipping the burial remains.

13.2.3 With respect to burial sites located outside of the subdivisions, descendants would have access at all times, for the purposes of caring for and worshipping the burial remains, subject to any limitations on access set forth in the Shoreline Park Management and Access Plan and the Project Preservation Plan.

13.2.4 Descendants would have access to the Hōkūli'i Cultural Area and the Agricultural Preserves from sunrise to sunset, but descendants would not be entitled to engage in any agricultural activities within the Agricultural Preserves unless expressly authorized to do so by the Hōkūli'i Owners Association.

13.2.5 Descendants would have access to the Shoreline Park, the Pu'u Ohau Cultural Area and the Bench Area on the terms stated in the Shoreline Park Management and Access Plan and the Project Preservation Plan.

13.2.6 Visits to any authorized site, including a burial site located outside the Shoreline Park (which has capacity and use limitations, as set forth in the Shoreline Park and

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Management Access Plan), involving ten or more individuals, would require a special permit issued by the Park and Cultural Sites Entity.

13.2.7 Cultural activities, including caring for and worshipping burial remains, to be performed at night at any location within 100 feet of a completed home, including midnight ceremonies, and cultural activities to be conducted at any location which involve significant noise, artificial light or other conditions which may disturb or (absent warning) alarm others in the area, would require a special permit, issued by the Park and Cultural Sites Entity. In considering applications for such permits, and for permits required pursuant to Section 13.2.6, the Park and Cultural Sites Entity would seek to insure that reasonable accommodations were made with respect to the interests of the applicants and any homeowners who might be affected by the proposed activity, in an effort to achieve an environment of respect and understanding. If Plaintiffs wish to do so, Oceanside would be prepared to enter into a Memorandum of Understanding that would identify the dates, terms and/or conditions for particular events or activities, so that those events and activities would be pre-approved.

13.2.8 The main roads in Hōkūliʻa, including those leading to the Shoreline Park, will be open to the public, but there will be unmanned gates on some side streets. In the event that gates need to be opened in order for descendants to gain access to any area to which access is authorized, the Park and Cultural Sites Entity would be required to provide a Cultural Liaison, available during normal business hours generally at a location within the Hōkūliʻa site, to provide the descendants an access pass which will open the pertinent gate. Descendant families who wish to plan ahead may reserve use of an access pass. If the access pass is not returned within a designated period, it will be deactivated.

13.2.9 If asked to do so, the Park and Cultural Sites Entity would also be required to provide a general access pass to any requesting descendant, in order to allow such descendant to enter any gates at Hōkūliʻa. If any such pass is used to gain access in violation of the rules described above, the Park and Cultural Sites Entity could revoke the pass.

14. Oceanside Would Establish Specified Agricultural Preserves and Cultural Practice and Preservation Sites Within Hōkūliʻa

14.1 Agricultural Preserves. As part of a comprehensive settlement, Oceanside would agree to include in the Project Preservation Plan at least three specified areas, to be set aside and maintained as Agricultural Preserves. The three Agricultural Preserves and their minimum acreage would be:

14.1.1 Keʻekeʻe Agricultural Preserve (approximately 2.50 acres).

14.1.2 Kanāueue Agricultural Preserve (approximately 3.50 acres).

14.1.3 Hōkūkano Agricultural Preserve (approximately 3.50 acres).

These Agricultural Preserves are generally depicted in Exhibit 8 attached hereto. The Project Preservation Plan is still in progress and Oceanside, after consultation with DLNR, may expand the identified preserves and may set aside additional acreage for the creation of additional Agricultural Preserves.

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14.2 Use of Agricultural Preserves. The Agricultural Preserves would provide areas where traditional Native Hawaiian agricultural crops could be cultivated by Hōkūliʻa residents and by others authorized by the Hōkūliʻa Owners Association to engage in such activities. The Keʻekeʻe Agricultural Preserve would be an active agricultural preserve, with crops planted and cultivated; the Kanāueue Agricultural Preserve would be a non-active preserve designed primarily for the preservation of remnants of the Kona Field System located therein; and the Hōkūkano Agricultural Preserve would consist of an active area, except as needed to protect and preserve remnants of the Kona Field System located there. Oceanside and DLNR would consult with Plaintiff PKO before determining the types of traditional agricultural activities that will be permitted within the Agricultural Preserves.

14.3 Cultural Practice and Preservation Sites. Oceanside would also establish and, to the extent provided in the Mediated Settlement Agreement, improve two cultural practice and preservation sites ("Cultural Preserves") consisting of the following:

14.3.1 An area near site 21833 ("Hōkūliʻa Cultural Area") (approximately 6 acres); and

14.3.2 The Poʻu Ohau Cultural Area (approximately 6 acres, and contiguous to the current Conservation District area).

The Cultural Preserves would provide areas where lineal and cultural descendants could engage in certain traditional cultural practices. The Cultural Preserves are generally depicted on Exhibit 2 attached hereto.

14.4 Access. Lineal and cultural descendants would have access to the Agricultural Preserves and the Cultural Preserves in accordance with the provisions described in Section 13.

14.5 Provision of Water. Oceanside would provide non-potable water to the Agricultural Preserves and Cultural Preserves in which crops and/or plants may be grown.

14.6 Proposed Re-interment Site for 21833. A portion of the Hōkūliʻa Cultural Area, to be given a name in consultation with the descendants of the Hōkūliʻa lands, would be improved by Oceanside in the manner illustrated conceptually on Exhibit 9 attached hereto. If allowed to do so by DLNR, Oceanside would re-inter the burial located at Site No. 21833 in this location. Oceanside would also commit to make this area available as a re-interment site for other burials located within the Hōkūliʻa site, if the relocation of such other burials to this area were to be approved by the entities or agencies with authority to approve any such burial relocations.

15. Oceanside Would Deal With Artifacts and Relics in Accordance With Plaintiffs' Requests

15.1 Background. Plaintiffs have requested that Oceanside develop a comprehensive catalogue of information relating to artifacts and relics found at the Hōkūliʻa site. Plaintiffs have also asked that Oceanside assemble all such artifacts and relics now under Oceanside's control, store such items in a secure location and dispose of some or all of such items as provided below. Oceanside is prepared, as part of a comprehensive settlement, to do as requested.

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15.2 Artifact Inventory Database. Oceanside would create and maintain a comprehensive inventory of the Native Hawaiian artifacts and relics discovered by Oceanside or its agents on the Hōkūliʻa site or in connection with Hōkūliʻa. This inventory would include a description of the artifact or relic, the location where it was found (specific burial site or area on property), its present location, the date of removal, if it has been removed, and the identity of the person or entity believed to have removed it. Oceanside would create and maintain a computerized database containing the data set forth in the inventory. The Parties would have access to the database. To the extent feasible, the database would be adapted to include certain data recovery material for future research, field notes, documented oral histories, and maps.

15.3 Management of Artifacts. The Hōkūliʻa Owners Association would take possession of and store all such artifacts and relics now under the control of Oceanside. In consultation with descendants, the Hōkūliʻa Owners Association would develop a protocol providing for the care and disposition of such artifacts and relics. The protocol may include returning artifacts and/or relics to the site where found, particularly if the artifacts or relics were found in the vicinity of a burial or possible burial site. If requested by a majority of the descendants, the protocol shall include transferring possession, ownership and management of some or all such artifacts and/or relics to an entity owned by, and under the control of, the descendants or designated by the descendants.

15.4 Delivery of Certain Artifacts to Mr. Medeiros. Notwithstanding the foregoing, Oceanside would agree to deliver to Mr. Medeiros the artifacts listed on Exhibit 10.

16. Oceanside Would Implement a Perpetual Water Monitoring Program and Commit to Bear the Cost of Studies Designed to Establish a Base-Line for Water Quality Along the Kona Coast. Oceanside Would Also Help to Develop Best Management Practices for Golf Course and Landscape Management.

16.1 Background. As part of the County entitlements for Hōkūliʻa, Oceanside agreed to provide for monitoring of the ocean waters off Hōkūliʻa. The required monitoring is ongoing today.

Construction at Hōkūliʻa began in 1999. In late 2000, before the golf course turf was established, heavy storms caused surface water runoff and associated sediments to reach the ocean. This resulted in litigation, which was settled upon entry of a stipulated permanent injunction, enjoining Oceanside from polluting the coastal waters. The stipulated permanent injunction also provides for court-supervised monitoring of the impact on ocean water quality of construction at Hōkūliʻa. Since the storms of late 2000, Oceanside has completed the Hōkūliʻa golf course and invested approximately \$6,000,000 in additional drainage improvements, which have successfully prevented any recurrence of the unfortunate runoffs.

The Parties have agreed that, as part of a comprehensive settlement, the County-required ocean water monitoring program would be continued, on terms which would require the monitoring to be performed quarterly and in conformance with certain state water quality testing standards. In addition, Oceanside would agree to fund a more encompassing program to determine water quality along a much broader coastal area in Kona. The injunction against polluting would continue, but the court-supervised water monitoring would be discontinued,

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given the fact that it would duplicate the monitoring to be conducted pursuant to the modified County program.

16.2 Stipulated Permanent Injunction. The Stipulated Permanent Injunction would continue, insofar as it enjoins Oceanside from polluting the ocean waters.

16.3 Modified County-Driven Monitoring Program. The water monitoring program required by the County would be continued, on terms which would require that the water monitor be approved by the County; DOH, Plaintiffs (for 20 years after the effective date of the Mediated Settlement Agreement) and Oceanside and that the water monitoring be conducted quarterly, in accordance with State ocean water monitoring protocols of general application.

16.4 Baseline Study. Oceanside would retain a qualified consultant, acceptable to Plaintiffs and DOH, to undertake a comprehensive baseline study of the near offshore waters for the area from Hoʻokena Beach Park to Kahaluʻu Bay. The baseline study would contain the elements set forth in Exhibit 11. To insure the creation of an appropriate baseline study, Oceanside would require the consultant to seek the advice of DOH with respect to the protocols and elements of the study. Oceanside would also require the consultant to conduct the study within an approved budget, in an amount to be set forth in the Mediated Settlement Agreement. The study would begin within six months after the effective date of the Mediated Settlement Agreement. All data and reports resulting from the study would be provided promptly to all Parties.

16.5 Canoe Landing. Oceanside would redesign the silt containment measures at Nawawa Bay so that, if and to the extent possible, the canoe landing may be reopened, and Oceanside would seek DOH and DLNR approval of said redesign and to undertake the work. Maintenance of the canoe landing would be the responsibility of the Park and Cultural Sites Entity.

16.6 Administrative Penalty. DOH would agree to continue to pursue the November 2000 Notice of Violation regarding violations of the Clean Water Act by Oceanside and assess a fine deemed appropriate by DOH. In its proposal to DOH as to the manner in which any fine may be used, Oceanside will ask that 75% or more of the fine be used on special environmental projects in, or of particular relevance to, Kona.

16.7 Best Management Practices. Oceanside would work with Plaintiffs, the County and DOH to prepare proposed best management practices for golf courses and landscape maintenance.

17. The County Administration Would Enhance the County's Cultural Resource Protection and Preservation Policies.

17.1 Background. As part of a comprehensive settlement, Plaintiffs have asked the Mayor of Hawaii County and his staff (the "County Administration") to reexamine certain rules and procedures relating to grading and grubbing permits, which the County Administration is willing to do.

17.2 Legislation to Amend County Grading and Grubbing Ordinance to Increase Protection for Cultural Resources. In an effort to provide greater protection for cultural, historic

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and burial sites, the County Administration would work with Plaintiffs to draft, introduce and support before the County Council legislation that would amend Chapter 10 of the Hawaii County Code, consistent with the public interest. The focus of these cooperative efforts would be to amend Chapter 10 in a manner that would increase the level of education and enforcement regarding protection of cultural, historic and burial sites. Such amendments could include:

17.2.1 The implementation of educational processes as a part of the permitting process; and

17.2.2 Adding to Chapter 10 detailed definitions of activities falling under the categories of grubbing, removal of surface vegetation, and grading to provide better notice to the permit holder of permitted activities.

17.3 Codification of County Practice of Cooperating with DLNR on Grading and Grubbing Activities. The County Administration would codify its current practices of cooperation with DLNR for implementing Chapter 6E-42, HRS, by adopting written internal work rules or procedures. At a minimum, the new work rules or procedures would embrace the following principles:

17.3.1 An applicant would have to secure recommendations from DLNR before the County Administration would accept a grading or grubbing permit application;

17.3.2 The application would be required to include, by attachment, any conditions recommended by DLNR;

17.3.3 The County Department of Public Works would suspend any grading or grubbing permit as may be requested or required by DLNR; and

17.3.4 The County would be required to report immediately, telephonically or by facsimile, any evidence of historic/burial sites to the State Historic Preservation Department ("SHPD"), should such evidence become known to County personnel in the course of granting, monitoring or closing grading/grubbing permits.

In connection with these codification efforts, union consultation might be required. Should any such work rules or procedures require HRS Chapter 91 rulemaking, the County Administration would agree to pursue such rulemaking.

17.4 Adoption of Related County Administrative Policies to Enhance Knowledge of Potential Impact of Grading and Grubbing on Cultural Resources. The County Administration would agree to adopt an administrative policy requiring persons or entities seeking grading or grubbing permits with respect to lands known to contain cultural, historic or burial sites to review the educational materials described in Section 18 prior to the issuance of any such permit. The County Administration would also adopt an administrative policy requiring the grantee of a grading or grubbing permit to affirm that he/she/it has read, reviewed and understands the applicable State and County laws and regulations regarding the protection of cultural, historic and burial sites. Should any such administrative policies require HRS Chapter 91 rulemaking, the County Administration would agree to pursue such rulemaking.

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17.5 Support for State and County Legislation Strengthening and Extending Laws Intended to Protect Cultural Resources. The County Administration would agree to work with Plaintiffs and Oceanside to draft, introduce and support legislation in the State Legislature that would provide additional protection for documented and undocumented cultural, historic and burial sites together with appropriate funding to implement the new requirements. Such legislative efforts would include, but not be limited to, seeking additional staff and funding for the Burial Sites Program. Nothing in the Mediated Settlement Agreement would require DLNR to endorse such legislation or prevent DLNR from expressing its independent view as to any such proposed legislation. In the event that the State Legislature were not to pass such legislation within two years of the effective date of the Mediated Settlement Agreement, the County Administration would agree to work with Plaintiffs and Oceanside to draft, introduce and support before the County Council a new ordinance which would give greater protection to cultural, historic and burial sites, to the extent the County is authorized to adopt such an ordinance under HRS Chapter 6E. Among other things, such an ordinance might provide for the creation of a County Historic Preservation Commission established under the Certified Local Government program under the auspices of the National Park Service and procedures for identifying and preserving cultural, historic and burial sites.

17.6 Support for Rulemaking by DLNR. The County Administration would agree to work with Plaintiffs and Oceanside to urge DLNR to establish appropriate standards and inclusive procedures relating to the consideration of any requests for variances from, or amendments to, approved burial treatment plans.

18. Oceanside Would Work With Plaintiffs and Others to Develop Educational Materials Intended to Protect Cultural Resources.

18.1 Educational Materials. In consultation and cooperation with Plaintiffs, the County, and DLNR, Oceanside would agree to produce at Oceanside's expense a videotape and a brochure, each of which would be available for viewing by developers on the Island of Hawaii, purchasers of undeveloped lots, and machinery operators to be employed by such persons, outlining the legal, practical and community considerations relating to the protection of cultural and historic resources.

19. Oceanside Would Pay Reasonable Attorneys' Fees.

19.1 Payment by Oceanside of Individual Plaintiffs' Attorneys' Fees. As part of a comprehensive settlement, Oceanside would pay \$1,002,435.01 as attorneys' fees and costs to Robert D.S. Kim.

19.2 Payment by Oceanside of PKO Attorneys' Fees. As part of a comprehensive settlement, Oceanside would pay \$2,037,732.74 as attorneys' fees and costs to Native Hawaiian Legal Corporation.

19.3 Payment by County of PKO Attorneys' Fees. As part of a comprehensive settlement, the County would pay Native Hawaiian Legal Corporation the fees and costs awarded by the Trial Court against the County and in favor of Native Hawaiian Legal Corporation.

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20. Oceanside Would Join Others in Making Appropriate Apologies

20.1 In the spirit of ho'oponopono, Plaintiffs, Oceanside, Lyle Anderson, John De Fries and the County would convene a meeting with Hōkūli'a descendants and other members of the Kona community as a forum for conveying appropriate apologies.

21. Future Challenges to Hōkūli'a Would Be Barred

21.1 Except for the rights, obligations and covenants set forth in the Mediated Settlement Agreement, the Individual Plaintiffs and PKO, including its officers and directors, would agree and covenant that they would not themselves, nor counsel others to, directly or indirectly, initiate, aid, request, file, fund, support or participate in any administrative hearing, litigation or other legal action specifically directed to any aspect of the approval, permitting, entitlement, development, construction or operation of Hōkūli'a, except as it relates to Oceanside's compliance after the effective date of the Mediated Settlement Agreement with the law regarding the treatment of burials. The Individual Plaintiffs and PKO, including its officers and directors, would further agree and covenant that they would not themselves, nor counsel others to, directly or indirectly, initiate, aid, request, file, fund, support or participate in any administrative hearing, litigation or other legal action specifically directed at the density or components of the Keopuka project so long as those elements and density are consistent with the Mediated Settlement Agreement.

21.2 Plaintiffs Kelly and PKO would agree to dismiss with prejudice all of their claims in *Fries and the County v. Oceanside, Lyle Anderson, John De Fries, et al.*, Civil No. 03-1-0117K.

21.3 As part of the Mediated Settlement Agreement, the parties would each agree to waive and release any claims they have against one another. These releases would not, of course, (i) amend any of the permits and approvals obtained by Oceanside or (ii) amend, alter or waive any future obligations of Oceanside or the County under their development agreement or of any party under the Mediated Settlement Agreement.

22. The Parties Would Agree to Remedies, in the Event of Future Disputes.

22.1 Available Remedies in the Event of Breach. The parties would agree that, in the event of a default under the Mediated Settlement Agreement by any party, the sole and exclusive remedies available to the other parties would be: (i) to enforce by specific performance the obligations hereunder of the defaulting party; or (ii) to exercise any other remedies specifically set forth therein. No party would be required or compelled as the result of any proceeding to take any action, or refrain from taking any action, other than those actions expressly identified in the Mediated Settlement Agreement. In connection with any demand or cause of action related to a matter released, the Mediated Settlement Agreement could be pleaded as a defense by the parties hereto and would operate to effect a dismissal of such demand or cause of action.

23. The Parties Would Agree to Resolve Future Disputes Through Alternative Dispute Resolution.

23.1 Enforcement Procedure. The Honorable Patrick Yim would resolve any disputes between the County, Plaintiffs and Oceanside (hereinafter referred to in the singular as a

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"Dispute Party" or in the plural as "Dispute Parties") as to the enforcement or interpretation of the Mediated Settlement Agreement. The Dispute Parties would resolve any dispute regarding the enforcement or interpretation of the Mediated Settlement Agreement pursuant to the following procedure:

23.1.1 Notice of Breach. Within ten business days of its determination that another Dispute Party has breached the provisions of the Mediated Settlement Agreement, a Dispute Party would notify all other Dispute Parties and their counsel of this determination in writing and provide a written explanation of the basis of its determination.

23.1.2 Response to Notice of Breach. Within ten business days of their receipt of the notice described in Section 23.1.2, above, the Dispute Parties receiving said notice would be required to provide a written response to the notifying Dispute Party indicating its concurrence with, or rejection of, the determination of breach, or indicating that the alleged breach has no bearing on that party's rights or obligations under the Mediated Settlement Agreement, as the case may be.

23.1.3 Meet and Confer Obligation. Should the Dispute Parties disagree with respect to the determination of breach of the Mediated Settlement Agreement, or the remedy necessary to cure any alleged breach, then within fifteen business days of the receipt by the Dispute Party claiming the breach of all responses by the other Dispute Parties, or other mutually agreeable date, the Dispute Parties who claim an interest in the subject matter would meet and confer in good faith in an attempt to resolve any differences.

23.1.4 Resolution of Breaches. In the event that the dispute were not resolved within fifteen business days of the meeting described in Section 23.1.3 above, then the Dispute Party claiming the breach would be entitled immediately to seek relief exclusively from Judge Yim. Any action taken to resolve a dispute between the parties with respect to the enforcement or interpretation of the Mediated Settlement Agreement would be determined through binding and final arbitration (with no right of appeal). The arbitration would be conducted in accordance with the commercial arbitration rules of Dispute Prevention & Resolution, Inc. then in effect. All proper costs of the arbitration including, without limitation, witness fees, attorneys' fees, and fees of the arbitrator, would be charged to the party or parties in such amounts as might be determined by Judge Yim. Any such award would be subject to the provisions of Chapter 658A, Hawaii Revised Statutes, as the same may be amended from time to time.

23.2 Unavailability of Judge Yim. In the event that Judge Yim were unable to serve in the capacity set forth above, then the Dispute Parties would ask the presiding judge of the Third Circuit Court to appoint an individual to act as the arbitrator.

23.3 Resolution of Claims Involving Non-Dispute Parties. To the extent the resolution of any disputes as to the enforcement or interpretation of the Mediated Settlement Agreement involves parties other than the Dispute Parties, the resolution of the dispute would not be in accordance with this Section 23, but would be as permitted by law, subject to Section 22 above.

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24. Miscellaneous Provisions.

24.1 Extension of Time For Performance of Oceanside's Commitments to the County. As a result of the delay created by the pending Hōkūli'i litigation, the County Administration would grant to Oceanside, as permitted by the Zoning Code and other applicable law, such reasonable extensions of time as may be required to complete Oceanside's obligations, including but not limited to the construction of the Bypass Highway, and to satisfy pertinent conditions under the Hōkūli'i Project approvals.

24.2 Possible Application to LUC to Place Keōpuka into a Different State Land Use District. At its election, Pacific Star could make, and could thereafter withdraw at any time and for any reason, an application to the LUC to change the State land use designation for Keōpuka, as to any Keōpuka a land (other than the Keōpuka Shoreline Area) currently in the Agricultural District. The County would agree to support Oceanside's application, and Plaintiffs, to include Mr. Medeiros, would agree not to object to any such application and not to challenge any decision which the LUC might make in response to any such application, if the application and any resulting decision limit the permitted uses of, and the permitted density at, Keōpuka, in a manner consistent with Sections 1.4, 1.5, 1.6 and 1.7 above.

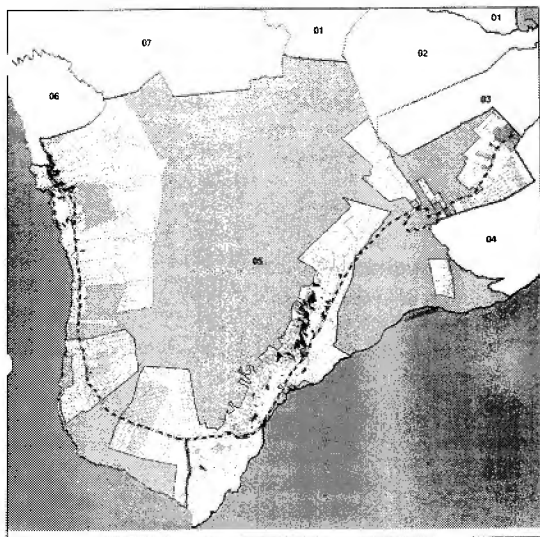
24.3 Joint Press Release. The Parties shall work together to develop joint press releases, to be available for distribution when the Parties notify the Court that a settlement has been reached, subject to Court approval (or as soon thereafter as the fact of such agreement becomes public) and when the Court approves the Mediated Settlement Agreement.

24.4 Organizational Documents of New Entities. The organizational documents of the Hōkūli'i Foundation and of the Park and Cultural Sites Entity would be written to release from liability all individuals serving as directors or officers of such entities and to provide indemnities from such entities for all such directors and officers, in each case to the fullest extent permitted by law. In the event of any claims against directors or officers of the Hōkūli'i Foundation or of the Park and Cultural Sites Entity, or against the entities themselves, the claims shall be submitted wherever possible to arbitration pursuant to the provisions of Section 23.

25. The Settlement Would Require Court Approval.

25.1 Court Approval. As a condition precedent to the effectiveness of any Mediated Settlement Agreement, the Court would need to approve the settlement and enter the form of Amended Decision contemplated by the Mediated Settlement Agreement. The parties would agree jointly to submit the settlement set forth in the Mediated Settlement Agreement to the Court for approval.

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House of Representative District 5

Legend:
Land Use Classes:
Agriculture
Residential
Commercial
Industrial
Public Use
Other

Contact Information:
Legislative Contact (Person)
Phone Number of Contact
Mail Address of Contact
District Number (Representative)

Summary:
Total Population in Legislative District
Population Living in S.U. Ag District
Population Living in S.U. Ag District on Class C, D, E or U Ag Land
Percentage of Population Living in S.U. Ag District on Class C, D, E or U Ag Land
Total Acreage in Legislative District Within S.U. Ag District
Percentage of Total Acreage Within Class C, D, E or U
Total Number of Parcels in Legislative District and in S.U. Ag District

Result:
201,540
94,524
12,517
62.69
444,002.23
97.88
32,818

Scale: 0 1.25 2.5 5 7.5 10 Miles
1" = 10 Miles (approx.)

Representative Nishimoto rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Kahikina rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Thielen rose, stating:

"You do know that I voted no. Thank you."

The Chair responded stating:

"Yes, we have you recorded as voting no since you were the first orator voting no on the Floor this afternoon."

Representative Meyer rose in support of the measure, stating:

"I'm rising in support."

Representative Souki rose to speak in support of the measure, stating:

"Yes, Mr. Speaker, with strong support."

Representative Cabanilla rose to speak in support of the measure, stating:

"Mr. Speaker, I am in support."

Representative Berg rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

The Chair then stated:

"Has everyone's vote been recorded? Members, let's go back to page one."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1368, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," was referred to the Committee on Finance with Representatives Berg, Ching, Morita, Saiki, Schatz, Shimabukuro, Stevens, Thielen and Waters voting no, and with Representatives Caldwell, Green, Hale, B. Oshiro, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 454-06) recommending that H.B. No. 2857, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2857, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION," passed Second Reading and was referred to the Committee on Judiciary with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 455-06) recommending that H.B. No. 2974, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2974, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 456-06)

recommending that H.B. No. 3114, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3114, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION TAX CREDIT," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 457-06) recommending that H.B. No. 2803, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2803, entitled: "A BILL FOR AN ACT RELATING TO THE CONVEYANCE TAX," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 458-06) recommending that H.B. No. 1929, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1929, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 459-06) recommending that H.B. No. 2396, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2396, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FOREST STEWARDSHIP," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 460-06) recommending that H.B. No. 2926, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2926, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SMALL BOAT HARBORS," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 461-06) recommending that H.B. No. 2709, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2709, entitled: "A BILL FOR AN ACT RELATING TO THE BUREAU OF CONVEYANCES," passed Second Reading and was referred to the Committee on Finance with

Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 462-06) recommending that H.B. No. 2867, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2867, entitled: "A BILL FOR AN ACT RELATING TO CULTURAL AND HISTORIC SITES," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 463-06) recommending that H.B. No. 3030, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3030, entitled: "A BILL FOR AN ACT RELATING TO THE BUREAU OF CONVEYANCES," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 464-06) recommending that H.B. No. 3106, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3106, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION," passed Second Reading and was referred to the Committee on Judiciary with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 465-06) recommending that H.B. No. 2858, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2858, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROTECTION OF CAVES," passed Second Reading and was referred to the Committee on Judiciary with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 466-06) recommending that H.B. No. 3241, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3241, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative B. Oshiro.

Representative Evans rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, with reservations on 466. I hope as it moves along we look some more clarifying language. This is about accreted lands. Thank you."

Representative Thielen rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I'm voting no on the same measure, Mr. Speaker. The title is Relating to the Land Court and yet the bill speaks to accreted lands, and of course, the accreted lands can occur in the regular system at the Bureau of Conveyances, not just at the land court.

"In addition to a defect in the title, the bill attempts to muddy the waters for ongoing litigation. The Deputy Attorney General came in and said do not pass this bill because it could impact this State's defense in the case that was brought by landowners that want to claim our newly accreted beach land to be their own property.

"The frightening thing in the bill that they wanted to see go, that was before our Committee, it would have taken that newly accreted land out of the conservation district, put it in the open district, and then those beachfront owners could have built on it.

"It's a very serious issue, Mr. Speaker. You'll remember in 2003 that we passed a law stating that all newly accreted lands that was not part of a formerly eroded away parcel, all newly accreted land belonged to the State. These are our beaches for the people of the State of Hawaii.

"The plaintiff, beachfront owners have filed a lawsuit and I believe that one of our Members will ask for a conflict of interest because I believe his law firm is involved in representing those beach front owners. The thing that's very difficult about it is that we shouldn't meddle now. That case is before the court. If we go in and pass this bill, even though it is dealing with don't plant vegetation, if we do that the Deputy Attorney General said it's going to negatively affect the State's position. Why would we want to do that when we want to preserve the newly accreted beach land for our people? Thank you."

Representative Morita rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. With strong reservations. I'd like to submit written comments on this measure. But simply put, this section, this area dealing with planting shouldn't be addressed in this section of the law. It's a shoreline issue so I believe this bill is technically flawed, but I would like to submit written comments. Thank you."

Representative Morita's written remarks are as follows:

"Mr. Speaker, I rise in support but have strong reservations about this bill.

"House Bill 3241, House Draft 1 prohibits private owners of oceanfront property from claiming accreted lands caused by the private landowner's planting and maintaining or otherwise encouraging vegetation on the seaward boundary of the property. While on its face this bill may seem innocuous, no one, during the public hearing process, could really flesh-out the intent of this measure.

"First of all, the planting and maintaining of all vegetation should only be done after a shoreline certification process has been completed on properties along the coast. A prohibition of such plantings seaward of a property should not be limited to just accreted lands, but part of the broader public policy of maintaining as much of the beach as possible as a public resource.

"In In Re Application of Ashford, 50 Haw.314 (1968), the Hawaii Supreme Court explained the majority of titles were conveyed in the 1850's even though the government had no knowledge of tidal datums or benchmark elevations. Hence, there is no intention to use elevation in establishing coastal deed boundaries. In most cases, the government relied, instead, on the high water mark of the waves. In Ashford, the State of Hawaii successfully argued that traditional

rights of public access existing under the monarch land tenure system, prior to the Great Mahele, extend to the present and include the right to traverse along the rocky shoreline to swim, fish, and seek other variety of seafoods. The Hawaii Supreme Court decision in Ashford that "the location of a boundary described as *ma ke kai* is along the upper reaches of the wash of the waves, usually evidenced by the edge of vegetation or by the line of debris left by the wash of the waves" serves as the foundation of the present legal definition of Hawaii's shoreline and a long standing public policy of extending to public use and ownership as much of Hawaii's shoreline as is reasonably possible.

"Without knowing of the true intent of this measure, I do not know how it can enhance this long-standing public policy. I urge my colleagues to proceed cautiously."

Representative B. Oshiro rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I like to ask for another ruling on a potential conflict. The law firm that I work for is also involved in the litigation over accreted lands, but I have not worked on that case," and the Chair ruled "no conflict."

Representative Caldwell rose to disclose a potential conflict of interest, stating:

"Same for me Mr. Speaker. I don't know if the Representative from Kailua is talking about my firm, but we from time to time do represent landowners who have accreted land issues. I have not worked on any of those cases," and the Chair ruled "no conflict."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Pine rose in support of the measure with reservations, and asked that the remarks of Representative Thielen be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Halford rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Moses rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Berg rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Meyer rose to speak in support of the measure, stating:

"Mr. Speaker, I'm in strong support of this measure. I recall the debate in 2003. There were, I don't believe any, property owners who had shoreline property there. And it's sort of the nature of the Legislature. We're part time and we have so much business moving through the process that people who are affected oftentimes don't know what kind of laws we're considering. So I think that this is appropriate to take another look at this. Thank you, Mr. Speaker."

Representative Shimabukuro rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3241, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE LAND COURT," passed Second Reading and was referred to the Committee on Judiciary with Representative Thielen voting no, and with

Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Sonson and Arakaki, for the Committee on Human Services and the Committee on Health presented a report (Stand. Com. Rep. No. 467-06) recommending that H.B. No. 2223, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2223, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CARE HOMES," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Sonson, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 468-06) recommending that H.B. No. 2257, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2257, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Meyer rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I'm rising in opposition to this measure. This bill deals with the Department of Human Services. It adds a new section to the law, and the gist of it is that the Department will not be able to decide how to spend federal funds without legislative approval. It's like the Legislature will have to do the appropriating of any of those federal funds.

"As amended, they've added a measure that the Governor may authorize the Department to receive federal funds, but I just feel this is another example of micromanaging the Executive Branch. We are only a part-time Legislature. We are not here all the time. I don't think it's appropriate to pass a bill like this. Thank you."

Representative Sonson rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in support. That last discussion or last comment, Mr. Speaker, was based on nothing, because it has nothing to do with what is going on in this bill. This bill merely states what is already federal law. This bill is dealing with federal funds in the way that it has to be appropriated. Federal law says that the Legislature appropriates this.

"Unfortunately when your Chair of Human Services speaks to the Department, the Executive Department about this, they look at me as if I was speaking like the previous speaker, coming out of nowhere. But you see I'm coming from somewhere. I'm following the law, and I'd like the State law to reflect the federal law in order to ensure that your Chair, whoever will chair Human Services will have the authority written in our own law, the HRS. Maybe that will be something clearer than a little sliver of law from the federal government.

"So, Mr. Speaker, this law that's contained in Stand. Com. Rep. No. 468-06 will ensure that the Executive Department respects the right of the Legislature to appropriate funds. That is our job. Thank you."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Moses rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Pine rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2257, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," passed Second Reading and was referred to the Committee on Finance with Representative Meyer voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Sonson, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 469-06) recommending that H.B. No. 2258, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2258, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. Reservations and we'll talk about it more in Finance."

Representative Halford rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Stonebraker rose to speak in support of the measure with reservations, stating:

"With reservations and brief comments. The speaker on SCR 468 said that the concerns that the Legislature was seeking to micromanage the Executive was coming from nowhere. This bill indicates otherwise. This is a direct attempt by the Legislature to micromanage the Executive Branch when we speak about TANF funds.

"Mr. Speaker, I don't think anybody can debate that this Legislature over the past number of years has sought desperately to limit the power of the Executive Branch. We don't expect any different, that's the nature of politics and this is the embodiment of that sort of action. And so for those reason I have reservations until the Final Reading."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Meyer rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Thielen rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Pine rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Stevens rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2258, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," passed Second Reading and was referred to the Committee on Finance with Representatives Meyer and Pine voting no, and with

Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Takumi and Caldwell, for the Committee on Education and the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 470-06) recommending that H.B. No. 3237, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 3237, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EARLY CHILDHOOD EDUCATION," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Morita and Karamatsu, for the Committee on Energy & Environmental Protection and the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 471-06) recommending that H.B. No. 2863, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2863, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ESTABLISHMENT OF THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY INNOVATION CORPORATION," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Caldwell, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 472-06) recommending that H.B. No. 2311, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2311, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Caldwell, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 473-06) recommending that H.B. No. 2693, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2693, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Marumoto rose to speak in opposition to the measure, stating:

"Mr. Speaker, on 473, I'll be voting no on this measure. It appropriates \$250 million to address the unfunded liability of the Retirement Fund. I believe we should address the problem because we have a huge unfunded liability. We should not be taking money out of it to put into our general fund, but I think \$250 million is a bit excessive. I would hope that the Finance Committee would address all the needs of our State. We should look at spending some of the surplus for tax credits, for education, for housing, for health, and high tech and other needs. Thank you."

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I'm rising with very strong reservations and would ask that the words of the Representative from Kahala be inserted in the Journal as my own," and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2693, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Second Reading and was referred to the Committee on Finance with Representative Marumoto voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Caldwell, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 474-06) recommending that H.B. No. 2697, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2697, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Caldwell, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 475-06) recommending that H.B. No. 2641, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2641, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Marumoto rose to speak in opposition to the measure, stating:

"Mr. Speaker, again a no vote on this. This one creates a new animal. Something called an indirect public works. And I think its newspeak. It's really private works and, where did my bill go? Nevertheless, I don't know what a construction project owner is, and this would pertain to a construction project owner."

"I was hoping that the author of the bill could perhaps clarify who this pertains to that has to turn over their payroll to the Labor Department. I don't know whether a construction project owner is a landowner, or a building owner, or a contractor, or a developer, but in any case it would be very difficult for a landowner to turn over payroll records to the Department of Labor. Thank you."

Representative Meyer rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I'm rising in opposition to this measure. This is just a series of bills that are like this that are broadening the scope of prevailing wage types of jobs. This would affect a public-private partnership. In the past, I think we had some schools built. The schools were built more quickly. There was a savings. This law would take away the savings that you would have. It's just another bill that is broadening the prevailing wage type jobs. Thank you."

Representative Harbin rose to speak in opposition to the measure, stating:

"Mr. Chair, I rise in opposition, against this bill. We have found ourselves in a kind of mess with Chapter 104. This is another bill to try to undo the mess by creating more of a mess. And that mess would be having DAGS be the recipient of certified payrolls. As I have said many, many times in the past, prevailing wage and employees are a very important part of our economy and I respect them. It's the public works and the administrative expenses that go along with it. And the fact that these indirect or bonding type of

funding for many of our projects, such as affordable housing. We don't have a home for the certified payrolls because there isn't any required. So we need to look at Chapter 104 in totality. Not in little piecemeal fixes, which is basically not going to work, and add more cost of expense, and expense to creating affordable housing. Thank you."

Representative Moses rose to speak in opposition to the measure, stating:

"In opposition, Mr. Speaker. Again, I agree with many of the speakers today. It adds another layer of complexity on all the projects we're trying to build. Some of the private partnerships have worked very well. Not only for the schools, but like the upcoming UH West Oahu. I don't want to see any of those jeopardized. Thank you."

Representative Ching rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Stevens rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Thielen rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Stonebraker rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2641, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC WORK PROJECTS," passed Second Reading and was referred to the Committee on Finance with Representatives Ching, Harbin, Marumoto, Meyer, Moses and Stonebraker voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Caldwell, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 476-06) recommending that H.B. No. 2947, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2947, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Caldwell, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 477-06) recommending that H.B. No. 2951, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2951, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Meyer rose to speak in opposition to the measure, stating:

"Mr. Speaker, on 477. This has to do with collective bargaining, but as the bill is written, it looks like ... I'm against the bill. I'm concerned about it because the way the bill is written now, the language is so broad that it will open the door for employers to be challenged on any task assignment to a public employee as a subject of negotiation. The employer should have the ability to transfer people. And it's just taking the power away from the employer and will make it a far more lengthy process than it is now. Thank you."

Representative Moses rose to speak in opposition to the measure, stating:

"In opposition. Yes, Mr. Speaker. I'm very concerned. We've had bills like this before. We always talked about them. This is making everything subject to negotiation. We just can't operate anything like that, whether it is government or a private business. Thank you."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Stevens rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Stonebraker rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2951, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LABOR," passed Second Reading and was referred to the Committee on Finance with Representative Meyer, Moses and Stonebraker voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Caldwell, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 478-06) recommending that H.B. No. 2953, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2953, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Thielen rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I would like to cast a no vote on this, Mr. Speaker. My concern is, it's going to affect, if I'm reading the bill correctly, my concern is it will affect SPRBs. And I believe that SPRBs are going to be used for a multitude of purposes. Mr. Speaker, some of those purposes, I believe will be addressing our housing crisis. And I would like to have permission to have today's article by Lee Cataluna that appeared in the *Advertiser* be inserted into the Journal."

The Chair responded, stating:

"For what purpose?"

Representative Thielen responded, stating:

"The purpose of this is she's talking about the crisis in housing and she's talking about a walk-in closet that was advertised for rent on the internet and it had something like I think 40 responses immediately from people looking for a place to live. The walk-in closet was evidently quite a large closet. It had room for a bed and a night chest and could be secured. And then the tenant ..."

Speaker Say: "Representative Thielen, the question that the Chair has posed is, for what purpose do you want to insert that?"

Representative Thielen: "SPRBs, that would be addressing the housing crisis."

Speaker Say: "There's nothing in the article that addresses SPRBs at this point in time."

Representative Thielen: "No, there's only the talking about the housing crisis that ..."

Speaker Say: "The Chair will deny you the right to insert that in the Journal."

Representative Thielen: "All right then. I'll save it, Mr. Speaker, until we come to a housing bill. And then we can have it inserted then to show the crisis that we have. Thank you."

Representative Meyer rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Marumoto rose to speak in opposition to the measure, stating:

"Mr. Speaker, the OD mentions that 478 deals with, Relating to Labor, prevailing wages, public works, which has to do with, well it may cover special purpose revenue bonds in eventuality. But I will rise against this measure. I will vote no in opposition, because it would cover any public work in excess of \$2,000, which is a very small amount. And I think it would be very onerous to comply with all the laws required under prevailing wage for such a small contract. Thank you."

Representative Moses rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Finnegan rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Stonebraker rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2953, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LABOR," passed Second Reading and was referred to the Committee on Finance with Representatives Ching, Finnegan, Marumoto, Meyer, Moses, Stonebraker and Thielen voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Caldwell, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 479-06) recommending that H.B. No. 3089, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3089, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES' TRUST FUND," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Caldwell, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 480-06) recommending that H.B. No. 3018, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3018, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT EMPLOYEES," passed Second Reading and was referred to the Committee on Judiciary with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Sonson, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 481-06) recommending

that H.B. No. 2052, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2052, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative B. Oshiro.

Representative Kawakami rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Kawakami's written remarks are as follows:

"Mr. Speaker, I rise in support of HB 2052 relating to the establishment of a Foster Children's Bill of Rights.

"House Bill 2052 reaffirms society's responsibility along with parents for the well-being of children in foster care. We as lawmakers are responsible for acting to insure their welfare.

"Every child in foster care is endowed with the rights inherently belonging to all children. In addition, because of the temporary or permanent separation from and loss of parents and other family members, the child requires special safeguards, resources, and care.

"Thank you Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2052, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FOSTER CHILDREN," passed Second Reading and was referred to the Committee on Judiciary with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Kahikina and Kanoho, for the Committee on Housing and the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 482-06) recommending that H.B. No. 2963, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committees be adopted, and that H.B. No. 2963, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Halford rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and H.B. No. 2963, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kahikina, for the Committee on Housing presented a report (Stand. Com. Rep. No. 483-06) recommending that H.B. No. 2986, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2986, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kahikina, for the Committee on Housing presented a report (Stand. Com. Rep. No. 484-06) recommending that H.B. No.

2994, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2994, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Stonebraker rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I'd like to register reservations on this vote. This has to do with eminent domain. I don't have much to say about it except that I'd like to consider it further and mark it for my notice. Thank you."

Representative Ito rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ito's written remarks are as follows:

"Mr. Speaker, I rise in support of Standing Committee Report 484-06, HB 2994, HD1.

"Mr. Speaker, the Kulana Nani Apartments is a City owned, HUD financed, low-income housing project on land owned by Kamehameha Schools. Presently the City has a long-term lease with Kamehameha Schools.

"Mr. Speaker, recently Kamehameha Schools stated that they were selling the land under the Kulana Nani Apartments and the City stated that they wanted to get out of the housing business. Fearing that the residents of Kulana Nani Apartments might be losing their affordable housing, Ms. Dorothea Pale, President of the Kulana Nani Residents Association, and two other residents came to see me asking for help. They feared that should the City get out of the housing business, the new landowner might convert the apartment units into condominium units, or demolish the apartment complex entirely. Should this occur the residents of Kulana Nani Apartments would have no place to go for affordable housing and many will become homeless.

"Mr. Speaker, there is already a large number of Kaneohe residents, due to the real estate market boom, who cannot afford the increase in their rents and have become homeless or are close to becoming homeless.

"Mr. Speaker, we can help prevent an increase in the number of homeless residents in Kaneohe by purchasing the land under the Kulana Nani Apartments from Kamehameha Schools. This will ensure that this land will always be used for the purpose of providing affordable housing.

"Mr. Speaker, for this purpose I ask my colleagues to support Standing Committee Report 484-06, HB 2994, HD1. Thank you."

Representative Chong in support of the measure, stating:

"Mr. Speaker, I am in strong support."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2994, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND ACQUISITION," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 485-06) recommending that H.B. No. 1931, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1931, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Thielen rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Mr. Speaker. I would like an aye with reservations. I really think that this should be handled by rules in the department."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1931, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BOATING," passed Second Reading and was referred to the Committee on Finance with Representative Thielen voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Kanoho and Kahikina, for the Committee on Water, Land, & Ocean Resources and the Committee on Housing presented a report (Stand. Com. Rep. No. 486-06) recommending that H.B. No. 2666, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committees be adopted, and that H.B. No. 2666, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. With reservations. I'm concerned that there's no rational basis to punish the seller when the seller has no control over whether the buyer will be subject to an exemption. But also that the conveyance tax is just not a worthy source of funding because it fluctuates so much. Thank you."

Representative Stonebraker rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Evans rose to speak in support of the measure with reservations, stating:

"With reservations. This bill, I thought it was kind of clever to come up with an idea to get some money to address homeless. But what concerns me is it's trying to tax people who may be speculators and they call it 'flipping' in the marketplace. But I do believe that we may be impacting our own local people that happen to buy into an area where the market gets really hot. They see what it is, and they sell it and move to another part of the State. So inadvertently, I think we may harm people that live here locally. Thank you."

Representative Finnegan rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. With reservations. And adding on to the previous speaker, I think you know whenever you're selling property, or selling property and your cost are most, that that means the next buyer's cost will be more as well. I mean it works hand in hand, being from that industry. Thank you very much."

Representative Pine rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Marumoto rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Halford rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Ching rose in opposition to the measure and asked that the remarks of Representative Evans be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Meyer rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Sonson rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and H.B. No. 2666, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONVEYANCE TAX," passed Second Reading and was referred to the Committee on Finance with Representatives Ching, Marumoto, Pine and Stonebraker voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Kanoho and Kahikina, for the Committee on Water, Land, & Ocean Resources and the Committee on Housing presented a report (Stand. Com. Rep. No. 487-06) recommending that H.B. No. 3149, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 3149, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND TRANSFER," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 488-06) recommending that H.B. No. 2003, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2003, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR VOG MONITORING STATIONS," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 489-06) recommending that H.B. No. 2381, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2381, entitled: "A BILL FOR AN ACT RELATING TO WASTEWATER SYSTEMS," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Morita, Herkes and Luke, for the Committee on Energy & Environmental Protection and the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 490-06) recommending that H.B. No. 3115, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committees be adopted, and that H.B. No. 3115, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Yamashita rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I'd like a ruling on a potential conflict. I'm part owner of a gas station," and the Chair ruled "no conflict."

Representative Harbin rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I rise in opposition to this measure. However, before I proceed to explain my logic, or illogic, I'd like to have a little housekeeping measure here. I noticed that on the Committee vote, it indicated that I voted yes, when in fact, I was not at the table. I still consider myself resigned. Therefore, the yes vote is an inappropriate vote. And I'm going to quote from our *Mason's Manual*."

The Chair then stated:

"Representative Harbin, you are out of order at this point. If you would like to address this issue, you can address it at the end of the calendar."

Representative Harbin continued, stating:

"Mr. Speaker, I want to make sure that my vote isn't inconsistent because it shows a yes in the Committee, which I am now voting no. And I just want to make sure that there's no inconsistency because of the inability of our Committee Chairs to follow *Mason's* rules of the legislative procedure. So with that being said, let me now explain why I'm voting no. Thank you.

"This particular measure is to repeal, which alludes to repeal in 2008, the gas cap that we have presently in action. I very much support the past legislative actions, which implemented the gas cap. I think as with anything that's new, we may have stumbled and may be put a little bit too high of a market amount on the gas cap. And I think a lot of it was because of the inability to get the correct information from our monopolistic oil industry.

"I think that we're stepping in the right direction as far as asking for more information, so that we can make the right decisions so that we can stop money coming out of the pockets of our local people. But to do that, we have got to get to the bottom of what is the right information. And as long as we keep tying ourselves to this confidentiality request on the part of the monopolistic oil companies. And with them knowing that in 2008, this thing goes 'poof,' and it goes away. We have no impetus or any hammer over their heads. We are committing a full surrender to the oil companies. We have got to stop them from taking our money back to Texas. Keep the gas cap in effect. If the information works, then fine let's repeal it. But let's not repeal it or even indicate we're going to repeal it ahead of time."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and H.B. No. 3115, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PETROLEUM INDUSTRY," passed Second Reading and was referred to the Committee on Finance with Representative Harbin voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Morita and Magaoay, for the Committee on Energy & Environmental Protection and the Committee on Legislative Management presented a report (Stand. Com. Rep. No. 491-06) recommending that H.B. No. 3216, HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 3216, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISLAND OF KAHOLAWE," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 492-06) recommending that H.B. No. 2214, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2214, entitled: "A BILL FOR AN ACT RELATING TO RENTAL MOTOR VEHICLE SURCHARGE TAX," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 493-06) recommending that H.B. No. 2698, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2698, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 494-06) recommending that H.B. No. 3053, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3053, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 495-06) recommending that H.B. No. 2073, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2073, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 496-06) recommending that H.B. No. 2153, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2153, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 497-06) recommending that H.B. No. 3154, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3154, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

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

"Mr. Speaker, on Stand. Com. Rep. 497, I'd just like to express some reservations on this measure. I attended the CSG Healthcare Task Force this year and this subject came up. It came up in a very lively discussion. I think the concern with prohibiting mercury-containing vaccines is that there may be some people who then become afraid of having their child immunized. Immunization is one great weapon we have against childhood diseases. So I think we should proceed very carefully with this measure and listen to our medical experts. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3154, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Arakaki and Sonson, for the Committee on Health and the Committee on Human Services presented a report (Stand. Com. Rep. No. 498-06) recommending that H.B. No. 2064, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2064, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR FAMILY CAREGIVER SUPPORT SERVICES," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Arakaki and Sonson, for the Committee on Health and the Committee on Human Services presented a report (Stand. Com. Rep. No. 499-06) recommending that H.B. No. 3259, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 3259, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR DENTAL HEALTH," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Kanoho and Kahikina, for the Committee on Water, Land, & Ocean Resources and the Committee on Housing presented a report (Stand. Com. Rep. No. 500-06) recommending that H.B. No. 3119, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 3119, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONVEYANCE TAX," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 501-06) recommending that H.B. No. 2889, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2889, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Carroll rose to speak in support of the measure, stating:

"Mr. Speaker, in support. I'd like to share with the Members regarding the historical Nahiku School. This measure is before us because the community there and most of the members who live there, it's like a village. It's part of the Hana District, but it's a small village with a lot of our *kupunas* too, who went to this school.

"Unfortunately in December of last year, the school burned down and as a result of that, the community has come forward and asked if they could do a replica of the school so that they could use it as a facility for gathering, and also for sharing some of their cultural practices. So with that, I'd just like to ask for support from our colleagues. Thank you."

Representative Ching rose to speak in support of the measure, stating:

"Thank you. In strong support and written comments," and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Mr. Speaker, I rise in strong support of this bill. This measure provides the funding to replicate an essential structure of the Nahiku community and restore the original architecture previously intended for the school. The bill seeks to construct a replica of the old Nahiku School and make it available to the existing community to gather and share Hawaiian historical and cultural activities. However, there exists concerns raised by the DLNR due to the fact that the original property was destroyed by fire, any new structure is ineligible to be listed on the State or National Registers of Historic Places and will not meet existing guidelines. This section of the bill may need to be reconsidered. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2889, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR RECONSTRUCTION OF HISTORIC OLD NAHIKU SCHOOL," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Waters, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 502-06) recommending that H.B. No. 1829, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1829, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Kawakami rose to speak in support of the measure with reservations, stating:

"Yes, in strong support of this measure for the University in terms of the social workers having some kind of a case management that will be part of the curriculum. Thank you very much. And I would like to have some comments in the Journal," and the Chair "so ordered."

Representative Kawakami's written remarks are as follows:

"Mr. Speaker, I rise in strong support of HB 1829 relating to an appropriations for the University of Hawaii's School of Social Work. Mr. Speaker this measure will establish a long-term case management program at the UH School of Social Work.

"Hurricane Katrina has brought to light some very hard learned lessons, one of those being the lack of an established system for the provision of long-term case management services. We all know that Hawaii is no stranger to natural disasters and the next hurricane is not a matter of if, but when. This measure would aid victims of major

natural disasters by identifying and assisting the on-going, long-term needs of affected communities wherever they may be needed.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1829, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Waters, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 503-06) recommending that H.B. No. 2041, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2041, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Thank you very much. I'm rising with some reservations on Stand. Com. Rep. 503. This is a bill that would create a scholarship program in the name of Oren E. Long by using general funds. I think we had another similar bill, which created the scholarship program in the name of Senator Fong. I think this sets kind of a dangerous precedent. Our University is pretty highly subsidized with State tax dollars. And I think it's more appropriate that these scholarship programs be created by foundations and individuals. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2041, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE SENATOR OREN E. LONG SCHOLARSHIP PROGRAM," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Waters, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 504-06) recommending that H.B. No. 3158, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3158, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE UNIVERSITY OF HAWAII," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Waters, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 505-06) recommending that H.B. No. 3166, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3166, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE UNIVERSITY OF HAWAII," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Waters, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 506-06) recommending that H.B. No. 2573, be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2573, be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Magaoay rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Magaoay's written remarks are as follows:

"Mr. Speaker, I rise in support of House Bill 2573.

"Mr. Speaker, I believe that the passage of HB2573 will provide substantial land, water and ocean resource management. Currently, in the Kaiaka Bay Watershed, there are extensive life threatening flood erosion, sedimentation, waste and other resource management concerns.

"This bill will enable UH Manoa's College of Tropical Agriculture and Human Resources to collaborate with various agencies, businesses and community members, such as Haleiwa Community Gardens Association, Waialua High & Intermediate School, Waialua and Haleiwa Elementary Schools, and the North Shore Neighborhood Board.

"HB 2573 will allow the above-mentioned parties to conduct joint efforts to assess and take action on environmental issues and other concerns in this economically important watershed on Oahu's North Shore.

"This measure would allow for a pilot project to potentially exemplify proper management of our valuable natural resources, and in so doing allow Kaiaka Bay to heal, regenerate and be a resource for future generations to explore and enjoy.

"Thank you Mr. Speaker, and I ask my colleagues to support me on this bill. Malama Pono."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2573, entitled: "A BILL FOR AN ACT RELATING TO NATURAL RESOURCE MANAGEMENT," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Waters, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 507-06) recommending that H.B. No. 1993, HD 1, be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1993, HD 1, be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Ching rose in support of the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in support of H.B. 1993 – Relating to Telepsychiatry. The one-year pilot project would be a beneficial and economical tool for the State of Hawaii:

"First, it is essential that all citizens of Hawaii have access to specialty medical care. The one-year pilot telepsychiatry project at the University of Hawaii would be an informative tool in determining Hawaii's needs, particularly those of rural residents who are currently lacking the resources and access to mental health treatment. Studies show telepsychiatry offers effective treatment with a high patient satisfaction rate.

"Last, telepsychiatry is cost-efficient in reaching patients in rural areas and neighboring islands. With today's technology we're

capable of providing mental health care to all of those in need through videoconferencing at a stable expense. In fact, many clinics already possess the required equipment. 95% of graduates from the University of Hawaii Psychiatry Residency Program choose to reside in Hawaii post graduation. H.B. 1993 will not only make mental health care easily accessible at a cost-efficient level, but also expose and help retain these graduates in rural areas for long-term service in the mental health field."

Representative Green rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. Very briefly in support. I think this is another important adjunct to get healthcare into our rural communities in the area of mental health. I think it's a good idea. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1993, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TELEPSYCHIATRY," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Waters, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 508-06) recommending that H.B. No. 2045, HD 1, be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2045, HD 1, be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Lee rose to speak in support of the measure, stating:

"I stand in strong support of this Women's Caucus measure and I would like to submit written comments into the Journal," and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of HB 2045 HD1, Relating to Perinatal Care.

"Perinatal' is defined as relating to the period before and after childbirth usually the five months before and one month after birth. Obviously this is a critical time for mother and baby. Good health habits during that period can set a *keiki* on the course for a happy and healthy life. Maternal drug, alcohol and tobacco use, however, can have a very negative effect on the health of a fetus.

"In 2000, Child Welfare Services received reports of 208 drug-exposed infants. Most of them had been exposed to methamphetamine. In addition, about 20% of pregnant women in Hawaii drink and about the same percentage smoke. All of these practices can have serious consequences for the *keiki's* health.

"Unfortunately, women who use illegal drugs are the least likely to seek perinatal care many for fear that their children will be taken from them. HB 2045 would establish a pilot perinatal clinic at the John A. Burns School of Medicine. The clinic will provide care for women with a history of substance abuse including substance use counseling and psychiatric care. The clinic will also provide case management coordinating its efforts with CWS and social service providers.

"We must do what we can to protect the innocent victims of maternal drug, alcohol and tobacco abuse. This pilot program is an important step in protecting the next generation for as we all know, the children are our future.

"I ask my colleagues to support this measure. Mahalo."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2045, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PERINATAL CARE," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Waters, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 509-06) recommending that H.B. No. 2162, HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2162, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RURAL HEALTH CARE," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Waters, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 510-06) recommending that H.B. No. 2180, HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2180, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LABOR," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 511-06) recommending that H.B. No. 563, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 563, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MICROORGANISM IMPORT," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 512-06) recommending that H.B. No. 1923, as amended in HD 1, be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1923, HD 1, be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Thielen rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1923, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TOURISM AUTHORITY," was referred to the Committee on Finance with Representative Thielen voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 513-06) recommending that H.B. No. 2212, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2212, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SUBSTANCE ABUSE," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 514-06) recommending that H.B. No. 2213, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2213, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR SUBSTANCE ABUSE ASSESSMENTS FOR UNINSURED STUDENTS," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 515-06) recommending that H.B. No. 1706, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1706, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM ENVIRONMENTAL COVENANTS ACT," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 516-06) recommending that H.B. No. 2039, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2039, HD 2, be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Lee rose to speak in support of the measure, stating:

"Mr. Speaker, I stand in strong support of this measure which is part of the package of bills that's supported by Mililani Drug Free. And I'd like to insert written comments in the Journal," and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of this measure.

"With the popularity of synthetic drugs like crystal methamphetamine, clean up of illegal drug production facilities has become a major problem.

"Many of the chemicals used in the production of crystal meth are toxic, especially to children. These chemicals include: volatile organic chemicals like toluene, acetone, methanol, petroleum distillates and ethers, lead (depending on the manufacturing method) and mercury (also depending on the manufacturing method).

"When illegal labs are discovered, human habitation of the premises is often unsafe. To determine whether living in the building is safe and to conduct necessary clean up, it is important to adopt regulations for the testing and decontamination of property used for the production of illegal drugs.

"Hawaii is currently experiencing a severe housing shortage. We need to ensure that every available property is habitable especially for our *keiki*. We also need to give landlords and law enforcement officials guidance on what constitutes a thorough decontamination.

"HB 2039 would require the Department of Health to adopt rules establishing standards for the decontamination of property used for manufacturing of illegal drugs. This will help ensure that subsequent residents of a property are not harmed and will give landowners guidance on the goals and methods of a decontamination effort.

"I respectfully urge my colleagues to support this measure. Mahalo."

Representative Yamane rose in support of the measure and asked that the remarks of Representative Lee be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2039, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DECONTAMINATION OF ILLEGAL DRUG MANUFACTURING SITES," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 517-06) recommending that H.B. No. 2107, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2107, HD 2, entitled: "A BILL FOR AN ACT RELATING TO A HAWAII CAREGIVER GRANT PROGRAM," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 518-06) recommending that H.B. No. 2264, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2264, HD 2, entitled: "A BILL FOR AN ACT RELATING TO STREET LIGHTING," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 519-06) recommending that H.B. No. 2442, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2442, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MILITARY INSTALLATIONS," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 520-06) recommending that H.B. No. 3097, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3097, entitled: "A BILL FOR AN ACT RELATING TO PETROLEUM STORAGE FACILITIES," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 521-06) recommending that H.B. No. 1867, HD 1, be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1867, HD 1, be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Stonebraker rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I'll be voting no on this measure. I believe that this measure represents the wrong direction that we need to go in workers' compensation. Thank you."

Representative Meyer rose to speak in opposition to the measure, stating:

"Mr. Speaker, I'd like to register a no vote. I'm worried about this bill that it will add to the cost of workers' compensation premiums. Thank you."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Moses rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Stevens rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1867, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," was referred to the Committee on Finance with Representatives Meyer and Stonebraker voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 522-06) recommending that H.B. No. 1975, HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1975, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY MEDICAL SERVICES," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 523-06) recommending that H.B. No. 2605, HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2605, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CABLE," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 524-06) recommending that H.B. No. 2621, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2621, entitled: "A BILL FOR AN ACT RELATING TO THE CONSUMER ADVOCATE," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 525-06) recommending that H.B. No. 1876, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1876, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative B. Oshiro.

Representative Yamashita rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, may I request once again, a ruling on a potential conflict. I'm a part owner of a gasoline station," and the Chair ruled "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1876, entitled: "A BILL FOR AN ACT RELATING TO GASOLINE," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 526-06) recommending that H.B. No. 3099, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3099, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary, seconded by Representative B. Oshiro.

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Thielen rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Meyer rose in support of the measure with reservations, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Meyer's written remarks are as follows:

"Mr. Speaker, I'm rising in support of HB 3099 with strong reservations. This bill allows a plaintiff in an antitrust case against an oil refiner not be required to present evidence that tends to exclude the possibility that the alleged conspirators acted independently. Singling out the petroleum industry for different treatment under the State's antitrust law and depriving it of evidentiary rights appears to raise serious constitutional issues. Thank you, Mr. Speaker."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Moses rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3099, entitled: "A BILL FOR AN ACT RELATING TO ANTITRUST VIOLATIONS BY THE PETROLEUM INDUSTRY," passed Second Reading and was referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary with Representative Thielen voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Caldwell, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 527-06) recommending that H.B. No. 2372, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2372, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," passed Second Reading and was referred to the Committee on Judiciary with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Caldwell, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 528-06) recommending that H.B. No. 2696, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2696, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in opposition to the measure, stating:

"I'd like to register a no vote. Sick leave is a very important benefit that employers need to be able to give to their employees. To start mandating what you can and cannot do with sick leave, I think is going to start discouraging employers from providing this very wonderful tool for their employees. So please register my no."

Representative Stevens rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Meyer rose in opposition to the measure and asked that the remarks of Representative Harbin be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Evans rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Finnegan rose to speak in support of the measure with reservations, stating:

"Thank you. Reservations, Mr. Speaker. There's one of these bills on sick leave that I'm actually for and I haven't had the chance to take a look at this one, so I'm going to go with reservations."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2696, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT PRACTICES," passed Second Reading and was referred to the Committee on Finance with Representatives Harbin and Meyer voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Caldwell and Karamatsu, for the Committee on Labor & Public Employment and the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 529-06) recommending that H.B. No. 3209, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committees be adopted, and that H.B. No. 3209, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I'm going to rise with reservations on this. The Restaurant Association has been trying for many, many years to try to get some type of equitable relief with tip credits. I think this is an attempt towards assisting them. But I think trying to mandate what they do with the tip credits, such as taking care of what they call the back room folks, I think is sticking our nose into the operations of a business on the assumption that they're going to take the tip credit and go out and buy a Porsche or something for themselves, which I can tell you they're not.

"With that being said, I think as this proceeds to Finance, I would like to ask Finance to perhaps take a look at maybe we're not treading into federal law by sharing tips from the front end to the back end, and I'm sure we don't want to do that. Thank you."

Representative Cabanilla rose to speak in opposition to the measure, stating:

"Mr. Speaker, I stand to say loud and clear that I'm voting no on this measure. This bill asks to lower the wages of the lowest paid people in this State. It lowers the minimum wage by \$1.25, and then 75 cents, and then \$1.25 in a couple of years. Granted that there are places of employment wherein the waiters and waitresses receive a substantial amount of tips, but that is not across the board. How about the waitresses at Likelike Drive Inn that go home with a \$5 tip at the end of the day?

"Furthermore what are tipped employees? Hotel maids, porters, the lei employers, as well as some others are called tipped employees. Restaurant revenues go up and down, and sometimes tourists don't come. What will happen to these people? The minimum wage law was implemented to protect our people from 'Scrooge' employers. It is wrong for us to circumvent this law.

"Furthermore to make matters worse, the bill was amended to give the savings of the tipped employee to the non-tipped employees. We are now 'robbing Peter to pay Paul'. Most of us in here in this House claim we ran for office to represent the working people. Why is this bill on the table? Our clergy today at noon, at the beginning of the session, asked us to reflect within ourselves on why we are here. I urge you to do it again. Thank you, Mr. Speaker."

Representative Finnegan rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I stand in support with reservations, I guess. It's very interesting how this bill came out. I'm taking a look at what we're trying to do and I agree with Representative from Kakaako/Downtown that we should not be trying to micromanage businesses. There are many reasons why I think that we would be asking for the tip credit, and sometimes it might be reinvesting in the business so that they can produce more jobs within the restaurants or wherever. But also I find it's going to be quite difficult to, I would think, to enforce something like this. So I'm just trying to see ... I'm in support of the tip credit, but we're taking a very interesting approach to this."

Representative Ching rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I rise in support with reservations. I'm in strong support of tip credits because I think what this measure's talking about in the restaurant community numerous times said this in Committee, that the reality is we're talking about the restaurant business and very few of them are the ones, with all due respect, with what the former speaker was talking about. We're talking about the young student that comes fresh out of college and they're making a lot of money. And the dishwasher in the back who is maybe a little older, is not making much money.

"And so the fact is that, I think I brought this up on the Floor before. There are a number of young people capable, talented, etc. who instead of going on to business fields or going into any other industry, unlike maybe their parents or grandparents did, they're going into the serving business because of the money, and the money is so lucrative. So what the restaurants are asking for is a little bit of fairness, I believe.

"My reservation comes as a result of the amendment that was made in Committee which is dictating to the businesses how that money should be used. Thank you."

Representative Sonson rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. In support of tip credits, and with reservations on the redistribution of the funds."

Representative Stonebraker rose to speak in support of the measure with reservations, stating:

"I have strong reservations, Mr. Speaker. I'll retain my comments for Third Reading."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and H.B. No. 3209, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE MINIMUM WAGE," passed Second Reading and was referred to the Committee on Finance with Representatives Cabanilla and Sonson voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Caldwell and Sonson, for the Committee on Labor & Public Employment and the Committee on Human Services presented a report (Stand. Com. Rep. No. 530-06) recommending that H.B. No. 2367, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2367, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL HISTORY RECORD CHECKS FOR SERVICE PROVIDERS OF THE OFFICE OF YOUTH SERVICES," passed Second Reading and was referred to the Committee on Judiciary with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Arakaki and Sonson, for the Committee on Health and the Committee on Human Services presented a report (Stand. Com. Rep. No. 531-06) recommending that H.B. No. 2938, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2938, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LONG TERM CARE," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 532-06) recommending that H.B. No. 2333, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2333, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NURSES," passed Second Reading and was

referred to the Committee on Consumer Protection & Commerce with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Chang, for the Committee on Tourism & Culture presented a report (Stand. Com. Rep. No. 533-06) recommending that H.B. No. 3223, as amended in HD 1, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3223, HD 1, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary, seconded by Representative B. Oshiro.

Representative Stonebraker rose to speak in opposition to the measure, stating:

"Mr. Speaker, I'm going to vote against this bill. This is a bill that can make you fighting mad. I'm furious. No, I'm just kidding, Mr. Speaker. But it just seems we want to regulate every thing in the books. Mixed martial arts is a beautiful sport. A combination of many sports. I just think that we should leave it alone and allow the Boxing Commission to do its job. Let's not micromanage everything that comes across our table."

Representative Chang rose to speak in support of the measure, stating:

"Mr. Speaker, in support of the martial arts bill. I just wanted to let the previous speaker know that the Boxing Commission does not regulate mixed martial arts."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3223, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MIXED MARTIAL ARTS," passed Second Reading and was referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary with Representative Stonebraker voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 534-06) recommending that H.B. No. 2175, HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2175, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 535-06) recommending that H.B. No. 2401, HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2401, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ALCOHOL AND SUBSTANCE ABUSE," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 536-06) recommending that H.B. No. 2694, HD 1, be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2694, HD 1, be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in support of the measure with reservations, stating:

"I rise with reservations on this, Mr. Speaker. The last time the Legislature decided to insert itself into stating or determining what physicians should be paid for work comp services, we ended up being warned that we're going to get ourselves into a mess, and here we are. We're in a horrible mess.

"Doctors are not taking work comp, other types of providers are not taking work comp, and a lot of it is because they say the medical reimbursement is too low. First to take up to where the medical reimbursement is high enough, it will further bankrupt our system. Our doctors need to be paid the right amount for what they do, but I think as you talk to doctors, it's not just the pay. It's the hassle factor and there's no way to put the dollar value on that.

"So we can't just look at this as trying to come up with some unknown amount, which apparently even the second Committee hasn't come up with an amount yet, but we need to look at this together with establishing set medical algorithms. Standardization of our forms, and getting our doctors more efficient and easier so that workers' comp becomes a desirable commodity and not try to set some type of unknown repayment amount. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2694, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 537-06) recommending that H.B. No. 2695, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2695, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYERS' MUTUAL INSURANCE COMPANY," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 538-06) recommending that H.B. No. 3129, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3129, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM CARE," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 539-06) recommending that H.B. No. 2244, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2244, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE MOTOR VEHICLE RENTAL INDUSTRY," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 540-06) recommending that H.B. No. 2717, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2717, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Moses rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Thielen rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Marumoto rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Finnegan rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Meyer rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Stevens rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Pine rose to speak in opposition to the measure, stating:

"A no vote, Mr. Speaker, and a couple of comments. I just believe that this Body has done so much to try to get into the business of the Governor. I think we have so many responsibilities as it is right now. We should focus on our legislative job and allow the Governor to do hers. Thank you."

Representative Halford rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2717, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION," passed Second Reading and was referred to the Committee on Finance with Representatives Ching, Finnegan, Halford, Marumoto, Meyer, Moses, Pine, Stevens and Thielen voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 541-06) recommending that H.B. No. 1836, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1836, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VETERINARIANS," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 542-06) recommending that H.B. No. 2323, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2323, HD 1, entitled: "A BILL FOR AN

ACT RELATING TO INSURANCE FRAUD," passed Second Reading and was referred to the Committee on Judiciary with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Kahikina and Sonson, for the Committee on Housing and the Committee on Human Services presented a report (Stand. Com. Rep. No. 543-06) recommending that H.B. No. 2065, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2065, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kahikina, for the Committee on Housing presented a report (Stand. Com. Rep. No. 544-06) recommending that H.B. No. 2066, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2066, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOMELESSNESS," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kahikina, for the Committee on Housing presented a report (Stand. Com. Rep. No. 545-06) recommending that H.B. No. 2248, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2248, HD 1, entitled: "A BILL FOR AN ACT RELATING TO KIKALA-KEOKEA," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kahikina, for the Committee on Housing presented a report (Stand. Com. Rep. No. 546-06) recommending that H.B. No. 2989, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2989, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker, I'm standing in strong support of House Bill 2989, and this is a tax credit for low income housing development. Thank you, Mr. Speaker. Now I would like to ask that the article by Lee Cataluna be inserted into the Journal because it shows how desperate our housing need is when a closet, a large walk-in closet was advertised for rent for \$100 a month. There were 33 replies, and the closet rented within one day. It just shows that people are desperate. Thank you." and the Chair "so ordered."

Representative Thielen submitted the following:

"A renter hangs out in a closet

By Lee Cataluna
Advertiser Columnist

There are more and more examples of just how tight the local housing market is, from tales of simple homes in regular neighborhoods going for close to a million dollars to stories of families tripling up in shoebox apartments.

But the one making the rounds this week is a high-water mark.

Among listings of rooms for rent was a closet — a closet! — in a Kailua house, for \$100 a month. There were 33 replies and the closet was rented immediately.

The walk-in was advertised on the Web site Craigslist.org.

The posting, dated Feb. 10, made it clear that this closet was intended for living space:

"We are 4 professionals living in a very spacious house. We have a huge walk-in closet downstairs outside living areas that is being used for storage. You can fit a twin bed in there and probably a small nightstand. We can power your closet with some extension cord.

"This space is best for someone who doesn't stay at home much, and literally just needs a bed to crash. We did some tests with a metal bar so you can definitely 'lock' your door for full privacy. Obviously there is limited storage space.

"You will share a bathroom with 4 other people. Utilities are included. Fifteen minute walking distance to Kailua Beach Park, safe neighborhood, plenty of street parking."

This brings up so many questions about who would live this way, how you make it work, who came up with the idea and so on. Three days after the ad was posted, the e-mail contact for the rental unit was no longer active (the closet was scooped up that fast), so further questions about the arrangement couldn't be answered.

There apparently was also a laundry room for rent in the same household that was spoken for immediately.

The posting later picked up this anonymous commentary: "It is no crime to rent out very small places. The crime is when they are way over priced. I hope you guys that placed the ad feel good. You made it work out better for everyone."

Clearly, there are people who find this arrangement acceptable, even desirable. The landlords came up with a workable idea and people lined up for a chance to have a bed and a hot plate and a place to get their mail.

Why not? There are hot, noisy hollow-tile hovels in town that are 10 times the price and only two or three times the space. There are wait lists for public housing and Section 8. Even the beach encampments are full.

This is the plain truth of Hawaii's housing crisis. People are willing to sleep in a closet.

Lee Cataluna's column runs Tuesdays, Fridays and Sundays. Reach her at 535-8172 or lcataluna@honoluluadvertiser.com."

*The Honolulu Advertiser
Posted on: Friday, February 17, 2006*

Representative Cabanilla rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I want to register a no vote on this measure. I would like to say that I support construction of low-income housing, and I support tax credits when it's given to the right people, on the right occasion, for the right purpose.

"Tax credits destroy our tax base, and my opposition for this bill is that it's a blanket award of tax credits. I would like them, these developers, to come to our Body and ask for this tax credit so we can

determine whether we're giving the tax credit to the right people, for the right occasion, and at the right time. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2989, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was referred to the Committee on Finance with Representative Cabanilla voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 547-06) recommending that H.B. No. 1342, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1342, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTORCYCLE AND MOTOR SCOOTER SAFETY," passed Second Reading and was referred to the Committee on Judiciary with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 548-06) recommending that H.B. No. 2452, pass Second Reading and be referred to the Committee on Judiciary.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2452, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. Reservations at this time. This is about seatbelts in school buses. Our testimony was that the buses are constructed such that it makes it more dangerous for students to wear seatbelts than not, and they'll be providing more information I hope, on the subject. When it gets to Judiciary, I hope that the Committee does ask for that data. Thank you."

Representative Lee rose to speak in support of the measure, stating:

"Mr. Speaker, I stand in support of this measure. If society believes seatbelts are desirable and necessary, then it's a grave oversight for schools not to offer our children that choice. This life-saving habit comes to a halt every September when the school year begins as we send our children off to school on belt-less buses. The arguments against seatbelts on school buses are finally beginning to fade and the truly valid reasons for their installation are starting to surface.

"Opponents say seatbelts are harmful to small children. If this is true then why is there a child restraint law in every state? Although none of these groups submitted testimony at our Transportation Hearing, seatbelts on school buses have been endorsed by the American Medical Association, the American Academy of Pediatrics, the American Academy of Orthopedic Surgeons, the American College of Preventive Medicine, Physicians for Automotive Safety, and the Center for Auto Safety.

"Opponents claim that seatbelts on school buses are not cost effective and that school districts should weigh cost versus their school system safety record. Yet they ignore the fact that seatbelts would cost most districts a few dollars per child each year for the added protection. Even districts with proper driver screening and the best safety records cannot predict the performance of the other driver. Do we base our actions regarding safety of children on the cost? I have additional written comments to insert in the Journal. Thank you," and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of this measure. I would like to refer members to the National Coalition for School Bus Safety. At their website they make a strong case to support school bus seatbelts which I would like to share with you.

"If society believes seatbelts are desirable and necessary, then it's a grave oversight for schools not to offer our children that choice. This lifesaving habit comes to a halt every September when the school year begins, as we send our children off to school on beltless buses. The arguments against seatbelts on school buses are finally beginning to fade and the truly valid reasons for their installation are starting to surface.

"Opponents say seatbelts are harmful to small children. If this is true then why is there a child restraint law in every state? Although none of these groups submitted testimony at our Transportation hearing, seatbelts on school buses have been endorsed by the American Medical Association, American Academy of Pediatrics, American Academy of Orthopedic Surgeons, American College of Preventative Medicine, Physicians for Automotive Safety, and Center for Auto Safety.

"Opponents claim that seatbelts on school buses are not cost effective and that school districts should weigh costs vs. their school systems safety record. Yet they ignore the fact that seatbelts would cost most districts a few dollars per child per year for this added protection. Even districts with proper driver screening and the best safety records, cannot predict the performance of the "other driver". Do we base our actions regarding safety on the cost?

"Opponents ignore the fact that by not providing seatbelts, a school district is demonstrating a form of negative education. This negative training carries over to the family car, leaving children defenseless against their number one killer, the automobile collision. Our teens are killed in drastic numbers each year because they haven't learned the importance of wearing a seatbelt. What a great opportunity we have before us to educate and condition a new generation of children with this life saving belt.

"Opponents state that 'compartmentalization' (protection between high-back padded seats) provides sufficient protection, yet they ignore the effects of rear-end, lateral and rollover collisions. During a crash, children become human missiles as they are thrown from their seats, into one another or into aisles, blocking quick evacuation.

"Opponents suggest that seatbelts are more trouble than they're worth and that children won't wear them. Wearing seatbelts twice a day, 180 days a year will make wearing seatbelts a routine and not an ordeal. Over 200 school districts across the nation have adopted seatbelts as an added safety feature and report usage rates from 80% to 100%. Districts must encourage, if not demand their usage and support must come from parents, administrators and school bus drivers.

"There are also valid concerns about liability, Mr. Speaker. The School Board, in its capacity as provider of transportation for students, could be considered as a 'common carrier.' Common carriers are required to use the utmost care consistent with the nature of its business to guard its passengers against all dangers which might reasonably and naturally be expected to occur, in view of all the circumstances. A legal argument could be made that this includes the duty to protect passengers who are unable to protect themselves. Thus, at some point in the near future it may be the case that a common carrier fails to meet its duty by not installing seat belts in its buses.

"I urge my colleagues to support this measure. Thank you."

Representative Stevens rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I rise with reservations on this measure. We did hear some compelling testimony in Committee that actually wearing seatbelts would be more dangerous for the children in the school buses, so that why's I like to note my reservations. Thank you."

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I'm rising with in support with strong reservations."

Representative Ching rose to speak in support of the measure with reservations, stating:

"Thank you. I rise with reservations, Mr. Speaker. I had the pleasure of sitting in on that specific Committee hearing though I not be on the Committee, and I heard firsthand the testimony about how seatbelts in buses because buses don't work the way that cars do, are actually much more dangerous than without seatbelts. If that's the case then I don't see why we need to add this to what schools need to do."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Halford rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative M. Oshiro rose to speak in support of the measure, stating:

"I am in strong support and I ask that the words of the Vice Chair of Transportation be adopted as my own," and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2452, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL BUSES," passed Second Reading and was referred to the Committee on Judiciary with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 549-06) recommending that H.B. No. 2737, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2737, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HONOPOU DISTRICT OF THE COUNTY OF MAUI," passed Second Reading and was referred to the Committee on Judiciary with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 550-06) recommending that H.B. No. 2873, be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2873, be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Stevens rose to speak in opposition to the measure, stating:

"Mr. Speaker, I'd like to register a no vote on this measure. Thank you. This measure is very important to stop invasive species coming into our islands but I believe that the Harbor Special Fund is not the correct way to fund this. I believe that there are better methods of funding the location and the detection of invasive species especially

on ships. I believe that there are federal grants available for this. We've had those in Hawaii before. Or, I believe that the general fund is a more appropriate funding mechanism. Thank you."

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I'll go with reservations at this time because we'll see it in Finance, but it does take money from the Harbor Special Fund and the Airport Revenue Fund to fund invasive species battles. I think that it's broader than just the ports of entry. I think it's a serious problem and we should dedicate some general fund money to the eradication of the invasive species. Thank you."

Representative Stonebraker rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, with reservations. And I'd like to point out that I believe one of our earlier measures was to increase moorage fees. If there is a surplus in the Harbor Special Fund, why are we increasing fees, and why are we raiding that Fund. I just think it's something to consider."

Representative Finnegan rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, reservations because of all the other things that have been said."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Souki rose to speak in support of the measure, stating:

"Yes, Mr. Speaker, very quickly. And Members. I just wanted to make mention that ... I'm speaking in favor, of course. The entryways through the harbors and through the airports, and rightfully so, should be coming out the respective Funds of those respective areas."

"I'm generally opposed to raiding the Highway Funds. I'm spoken against that in the past, but there is a surplus in the Highway Fund when you look at all the expenses that are going to be considered for the year, less the surplus, there are sufficient dollars in the Highway Fund to take care of this."

"Furthermore, I am very disturbed that, and I use this in a positive sense, that not only this Administration but past Administrations, have refused to raise the fees for both the landing fees and harbor fees. In fact, there won't be any increase until 2007, and in the meantime we have all these needs. So if we want to point the finger somewhere, I think we should be looking in that direction, as to the disrepair of the airports and harbors. Thank you very much, Mr. Speaker."

Representative Chong rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in strong support. This measure seeks to find a funding source and to address the issue of invasive species. As we have known from many bills in the past and many speakers here, that invasive species are something that not only affects our lifestyle, our ecosystem, and our environment, but also our economy."

"This is going to Finance where more work can be tended to this bill, but it's time to do something. Invasive species, again not only the environment, but just on the economy, probably costs us in the tens of millions of dollars. I think this is a good first step in addressing that issue and protecting our economy. Thank you."

Representative Tsuji rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I rise in support. Mr. Speaker this is another very important measure regarding the detection and prosecution of invasive species, especially in our port of entry areas. The purpose of this bill is to provide funding for inspection and eradication; a very important goal in our continuing effort of detection and eradication of invasive species. Thank you very much."

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I'm rising in support with some pretty serious reservations. I realize that we are always looking for funding for important programs, but I am concerned that this bill creates a new special fund, the Hawaii Invasive Species Special Fund. And also, I don't believe it's appropriate."

"The revenues of the airport and harbor divisions are pledged for the use of operations, maintenance, and repair of the airports and harbors systems. So I don't think it's something that we should be doing. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2873, entitled: "A BILL FOR AN ACT RELATING TO INVASIVE SPECIES," was referred to the Committee on Finance with Representative Stevens voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 551-06) recommending that H.B. No. 418, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 418, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO ALLEVIATE TRAFFIC CONGESTION ON FARRINGTON HIGHWAY IN MAILI AND NANAKULI, OAHU BY ADDING AND OPERATING A CONTRA-FLOW TRAFFIC LANE," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 552-06) recommending that H.B. No. 2267, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2267, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. With reservations. Thank you, Mr. Speaker. This bill allows DAGS, or authorizes DAGS to implement payroll deductions for State employees who wish to buy City and County of Honolulu bus passes. Well, Mr. Speaker, they already have that authority, and in fact they're already doing it. Right now DAGS, DHRD, and DOT have already gotten together and they agreed to implement this thing and they're reprogramming the computers to do it. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2267, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 553-06) recommending that H.B. No. 1835, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1835, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF TRANSPORTATION," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 554-06) recommending that H.B. No. 1880, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1880, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in support of the measure with reservations, stating:

"I'm sorry I didn't move fast enough, but I'm looking at 554. I'd like to offer my support with reservations. Prior to my becoming a member of this Body, I spent a very good part of my life trying to stop the transfer of Piers 1 and 2 from the HCDA to the Department of Transportation, and I had sort of a quick lesson through the Water, Land, Ocean that our harbors are in such disrepair and we need to have some one agency looking at it. So I'm kind of right now, tending towards liking this idea of Piers 1 and 2 being moved.

"However the next step of moving the Foreign Trade Zone and another piece from HCDA over to DBEDT, now raises another issue with me, bifurcating what I think is a very good statute, which is for establishing the HCDA so that we can look at Kakaako in its totality, not in pieces. It looks to me like now what we're doing is maybe trying to piece it up. I have some real concerns with that because it is such a valuable asset for the State of Hawaii. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1880, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HARBORS," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 555-06) recommending that H.B. No. 2130, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2130, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Stevens rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, at the appropriate time if we can go back to 552. On 555 I'm in support with reservations. This adds a commission to the Harbor Land Commission, which would just add another layer of bureaucracy. It'll slow down what we're trying to do with our harbors. It should be pointed out that a certain amount of non-critical lands at the harbors need to be available for non-direct

maritime use. That doesn't mean reducing the actual usable harbor space. Thank you, Mr. Speaker."

Representative Harbin rose to speak in opposition to the measure, stating:

"Mr. Speaker, I'm going to vote no on this at this time. I have a real issue of creating governments within a government. We have agencies, we have the Administration, we have this Body and we have a responsibility and accountability. I truly feel that when we start developing commissions to be in charge of this and commissions to be in charge of that, we lose the ability to have one-on-one control. I just deplore 'passing the buck' to a commission of appointees. Thank you."

Representative Yamane rose to speak in support of the measure, stating:

"Mr. Speaker, standing in strong support. I wanted to address the concerns regarding H.B. 2130, and to highlight the fact that the Commission which is written in the bill, part of the bill in establishment of the Land Commission is that they shall identify and designate important harbor lands, Mr. Speaker.

"One of the other issues that this bill would do beside identifying the current lands now, not dictating its use by saying the need and the impacts on our State. The other issue that this would do is also map our current harbor lands so that this Body, and Department of Transportation, have a full understanding of what is available, and what the lands are currently being used for, Mr. Speaker.

"Also we have to realize that 98% of all our goods and food come through our harbors. We need to address this issue now. Part of addressing it in the most timely and most efficient way is to first identify what are our current conditions, what areas can be used, and what are important harbor lands. And that's what this bill is identifying, trying to do. Not to add another layer of bureaucracy, but actually condense it and make it more user friendly. Thank you, Mr. Speaker."

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I just want to vote with strong reservations. Support with reservations."

Representative Halford rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Evans rose to speak in support of the measure, stating:

"Mr. Speaker, just one quick comment in support of Standing Committee Report 555. This is Relating to Harbors. I want to say, 'You go,' to the Chair of Transportation because, I think this is a great idea and what I'd really like to hope is that they add the small boat harbors to it. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2130, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HARBORS," passed Second Reading and was referred to the Committee on Finance with Representative Harbin voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 556-06) recommending that H.B. No. 2160, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2160, HD 1, pass Second Reading and

be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. In support with reservations. This has to do with Kapalama and actually talking about issuing Special Facilities Revenue Bonds to assist Horizon Lines in constructing and equipping new facilities at Kapalama Military Reservation.

"That's being studied and the Kapalama plan isn't ready yet, so this would be quite premature. But there's also the problem with, are we going to, by law, issue Special Revenue Bonds per each individual entity? I don't know if we want to get into that. Thank you."

The Chair then stated:

"You can address that, Representative Moses, on the Finance Committee."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Stevens rose to speak in support of the measure with reservations, stating:

"Yes, with reservations. And I look forward to more discussion in Finance. Thank you."

Representative Halford rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2160, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HARBORS," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 557-06) recommending that H.B. No. 2746, HD 1, as amended in HD 2, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2746, HD 2, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Pine rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2746, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AVIATION FUEL TAXES," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Souki and Luke, for the Committee on Transportation and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 558-06) recommending that H.B. No. 1882, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committees be adopted, and that H.B. No. 1882, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Stonebraker rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I'm in support with reservations. This has to do with allowing the Department of Transportation to issue permits to businesses that have five or more commercial vehicles, to utilize the HOV lanes and charge a fee.

"Problem is, the HOV lanes were not designed for that. HOV lanes are quite narrow. Some of these commercial vehicles will be too wide and get stuck in the HOV lanes without a lot of money spent to redesign the freeways. So I don't think this is a good idea. Thank you."

Representative Sonson rose to speak in opposition to the measure, stating:

"Short comments in opposition. The testimony in Committee in support of this was that if you allow these trucks, these slower trucks to go in the HOV lane, then it will free up some of the other lanes. I don't think that makes a lot of sense."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Pine rose to speak in opposition to the measure, stating:

"Mr. Speaker, a no vote on this measure. As someone who takes an hour and a half to get into town, and I work really hard to get people to ride with me so that I can take the HOV lane, which is already full and backed up, I just cannot support this measure."

Representative Cabanilla rose in opposition to the measure and asked that the remarks of Representative Moses be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Yamane rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, with reservations. My community out in Mililani, Waipio Gentry, we have a far drive into town and we struggle daily, sometimes taking upwards of two hours to get to our destination both to work as well as home.

"I understand some of the intent to encourage businesses to get to their destination quicker, that's why I'm going with reservation rather than a no vote, but I think we owe it to those who are trying to carpool to give them the right of way. Thank you."

Representative Lee rose in support of the measure with reservations, and asked that the remarks of Representative Yamane be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, in support with reservations. I think letting commercial vehicles use the HOV lanes contradict the purpose of these lanes. Thank you."

Representative Stevens rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and H.B. No. 1882, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGH OCCUPANCY VEHICLE LANES," passed Second Reading and was referred to the Committee on Finance with Representatives Cabanilla, Pine and Sonson voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Caldwell, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 559-06) recommending that H.B. No. 2624, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2624, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LABOR," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Caldwell, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 560-06) recommending that H.B. No. 2678, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2678, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Kahikina and Kanoho, for the Committee on Housing and the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 561-06) recommending that H.B. No. 3202, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 3202, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 562-06) recommending that H.B. No. 2374, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2374, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Sonson rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2374, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HEALTH FOR THE ADULT MENTAL HEALTH DIVISION," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 563-06) recommending that H.B. No. 2384, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2384, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HEALTH FOR THE FAMILY HEALTH SERVICES DIVISION," passed Second Reading and was referred to

the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 564-06) recommending that H.B. No. 2126, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2126, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Yamane rose to speak in support of the measure, stating:

"Mr. Speaker, standing up on Stand. Com. Report 564. I'm standing in strong support. I would like to also state to this Body that the passing of this, getting an emergency medical vehicle in the area of Central Oahu will impact communities as far as the North Shore, and as far as Waianae, and I ask for your support. Thank you."

Representative Lee rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in strong support. I think especially with the fact that we will be losing the aerovac services of the military coming up in April that this is a very important measure to serve the people, not only of Mililani, but of the whole Central Oahu and Leeward areas. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2126, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR EMERGENCY MEDICAL SERVICES," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 565-06) recommending that H.B. No. 2884, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2884, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Carroll rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I'm speaking in strong support of 565, requesting for ambulance service in the Haiku region. Because the nearest ambulance is in Makawao and it takes between 26 minutes to even up to an hour, depending on in the area of Haiku, where the call is coming from. Haiku residents have expressed some deep concern because of the response time. And coming from the other side, Hana is the next closest area where it's 37 miles. So I ask my colleagues for support on this. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2884, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR AMBULANCE SERVICE FOR THE HAIKU REGION OF MAUI," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 566-06) recommending that H.B. No. 3035, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3035, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR MOLOKAI GENERAL HOSPITAL," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Herkes and Luke, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 567-06) recommending that H.B. No. 3105, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 3105, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PSYCHOTROPIC MEDICATION," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 568-06) recommending that H.B. No. 2647, HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2647, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 569-06) recommending that H.B. No. 2606, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2606, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 570-06) recommending that H.B. No. 3230, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3230, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BUILDING CODES," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Kanoho and Saiki, for the Committee on Water, Land, & Ocean Resources and the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 571-06) recommending that H.B. No. 3047, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 3047, entitled: "A BILL FOR AN ACT RELATING TO BURIAL SITES," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 572-06)

recommending that H.B. No. 2555, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2555, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Evans rose to speak in support of the measure with reservations, stating:

"I rise with strong reservations on 572. This is known as the Kakaako Development Bill, I think. We can call it that. I have really strong reservations because we had a really productive hearing on this in our Committee but I really believe that we could have gone a lot farther than we did in really giving direction to the Hawaii Community Development Authority on it. As it stands now, what we have said in this bill is they cannot sell land on the *makai* side. We've also said that we're going to put in this bill for the issuance of revenue bonds, and we limited it at that.

"I was at the hearing that we had on the original bill, and of course this is a House Draft 1, and we had the public show up. What I learned from that hearing is that inadvertently the Legislature had passed laws that basically treated the *mauka* side of Kakaako different from the *makai* side of Kakaako, and as a result HCDA does not plan the whole area as one huge master plan. They treat each one separately. When I asked them what they felt their guidance was in terms of planning it, the discussion got into kind of what was the overall theme of what they were trying to accomplish.

"If you wanted to make it an area that was recreational, had open space. Was that the direction you thought you had? What I got out of it was they felt that they were told to look at a mixed use, and it kept coming up in the Director's testimony. We thought we were supposed to do mixed use.

"What I'd like to see is this legislative body giving direction to HCDA to go back to the drawing board. Look at the whole Kakaako area as one big area, *mauka* and *makai*, and really look on the *makai* side as no residential. Whatever uses that go in there are really for recreational, and play, and for supporting the development that's going on the *mauka* side of Ala Moana Boulevard.

"In the testimony they said that by 2020 they expect the population in the Kakaako area to go from 6,000 to 25,000 people. One of the things I said to the Director is, in addition to that, there are 12 high-rise condominiums being constructed right now between Downtown Honolulu and Waikiki. And until they come on board and we understand the impacts to the quality of life in that neighborhood, why would we want to build residential housing at this time on the *makai* side? Why is there a sense of urgency? And I do not believe that we should be so urgent and rush this.

"I think we can wait. I think State government has the ability to hold onto land. One of the beauties of State land, is that we can hold onto it. Not like private developers. So I really hope that as this goes forward that we give a much stronger direction to HCDA. Thank you."

Representative Stevens rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in support of this measure. And I'm just delighted that this Body has taken up this issue because it's of great importance to the constituents of my district. It relates to one of the very, very last open pieces of land that you actually can see the ocean from Ala Moana Boulevard. I just think it's so important that we continue this discussion and try to reach a good conclusion on this issue. I do believe that HCDA needs some further guidance in their operations and the way they do business. Thank you very much."

Representative Berg rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I rise with reservations. Thank you. The portion of the original bill which calls for a public hearing has been deleted in this version, and so I hope that the next Committee will consider that. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2555, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Karamatsu, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 573-06) recommending that H.B. No. 3036, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3036, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Karamatsu, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 574-06) recommending that H.B. No. 3084, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3084, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GIFT CERTIFICATES," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Karamatsu, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 575-06) recommending that H.B. No. 2885, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2885, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative B. Oshiro.

Representative Carroll rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I rise in strong support of SCR 575. The purpose of this bill is to protect youth and the general public from exposure to products of an indecent nature by requiring individuals and businesses who sell adult entertainment products to display the products separately and obscurely.

"I'd just like to say that it was a 9 year old boy and his mother who came before me, and the 9 year old boy said to me, 'I think that teddy bear that was displayed in this one business, is not right.' And because of that discussion, this is how this measure came to be. Because he was concerned that other children who go into this business will see this paraphernalia that are not for viewing for the youth. I just ask for everyone's support on this measure. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2885, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ADULT ENTERTAINMENT PRODUCTS," passed Second Reading and was referred to the Committee on Judiciary with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Karamatsu, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 576-06) recommending that H.B. No. 1866, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1866, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Karamatsu, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 577-06) recommending that H.B. No. 3063, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3063, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TECHNOLOGY TRAINING," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Karamatsu, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 578-06) recommending that H.B. No. 2751, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2751, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in support of the measure, stating:

"Sorry, I was asleep on the job. I would like to go back to 578. I'm sorry. I'm a little confused today. I'm standing in support of this particular measure. This is one of the two that I feel send a very strong signal to the small business community that this Legislature does in fact, respect their needs and includes them as part of our march into the future with economic stability.

"I think business retention and expansion is a relatively new term in economic development. In economic development there are two ways to do it. You can go out and you try to attract new businesses to come into the State. But the new way of maintaining your economic stability is to continually nurture and continually work with your existing business because they are the ones that produce over 80% of all new jobs.

"As I said a couple of days ago, I was really pleased to see on Opening Day, five or six new, young businesses that have stepped into, that are growing in Hawaii. It's businesses like this that need to be continually nurtured so we can see what their needs are, be it workforce, or regulatory, or other things. That's what this business retention program is about. And I really would like to encourage my fellow Members to really look at this as a tool to go along with all of the new industries that we are developing in Hawaii. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2751, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS RETENTION

AND EXPANSION," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Karamatsu, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 579-06) recommending that H.B. No. 2925, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2925, entitled: "A BILL FOR AN ACT RELATING TO COMMUNITY-BASED ECONOMIC DEVELOPMENT," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Karamatsu and Waters, for the Committee on Economic Development & Business Concerns and the Committee on Higher Education presented a report (Stand. Com. Rep. No. 580-06) recommending that H.B. No. 3261, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 3261, entitled: "A BILL FOR AN ACT RELATING TO INGENUITY CORPORATION CHARTER," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 581-06) recommending that H.B. No. 1817, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1817, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FIREWORKS," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 582-06) recommending that H.B. No. 2278, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2278, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative B. Oshiro rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I rise in support with some reservations. Basically, while I do feel that the funding for these programs is important and something we should consider, I don't think it rises to the level of being an emergency."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2278, HD 1, entitled: "A BILL FOR AN ACT MAKING EMERGENCY APPROPRIATIONS FOR THE DEPARTMENT OF THE ATTORNEY GENERAL," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 583-06) recommending that H.B. No. 3034, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3034, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AN ENVIRONMENTAL COURT," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 584-06) recommending that H.B. No. 2395, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2395, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROTECTION OF FOREST RESERVES," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 585-06) recommending that H.B. No. 2524, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2524, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PERMIT APPROVALS," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 586-06) recommending that H.B. No. 2594, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2594, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 587-06) recommending that H.B. No. 2655, as amended in HD 1, be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committees be adopted, and that H.B. No. 2655, HD 1, be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Stonebraker rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2655, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE ACCIDENT INVESTIGATION," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 588-06) recommending that H.B. No. 2992, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2992, HD 1, entitled: "A BILL FOR AN ACT PROPOSING AMENDMENTS TO THE HAWAII STATE CONSTITUTION RELATING TO SPECIAL PURPOSE REVENUE BONDS," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 589-06) recommending that H.B. No. 2991, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2991, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 590-06) recommending that H.B. No. 2060, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2060, HD 2, be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"This is our favorite bill from a couple days ago, relating to medically accurate sex information. And of course it's medically accurate and it's sex information, but what kind of sex information? So I've got severe reservations for this and I'll look forward to seeing it again in the Finance Committee."

Representative Pine rose to speak in opposition to the measure, stating:

"Yes, Mr. Speaker. I'm going to have to still vote no on this. I was hoping that we were going to insert a line that requires in the law that parents be notified that this is going to be taught at the schools. I know that everyone has different beliefs on this. But I'm being taught from the people in my district that they do want to be notified because, they only believe in abstinence-only education."

"But also, I don't think we should punish those groups that do want to teach abstinence-only programs; allow the groups to teach the other types of programs, but also allow those that want to teach abstinence-only. I also think that we're punishing ourselves because we do get almost a million dollars from the federal government to teach abstinence-only programs in our schools. And I think that that would be bad for us. Thank you."

Representative Stonebraker rose to speak in opposition to the measure, stating:

"Mr. Speaker, I'll be voting no on this Planned Parenthood Bill. As I indicated, Mr. Speaker, this bill is taken directly from Planned Parenthood's website. For the edification of the Body that they might know that they are the driving force behind this legislation, as well as the ACLU. I believe that we should give abstinence-only education a chance. Really, we've had a broad spectrum of sex education in our schools for 40 years. And abstinence only has only been given about seven years chance. We have found that the information provided an abstinence-only curriculum provides about 38% of the overall curriculum itself, speaking of healthy families, healthy education. But when it comes to medically accurate sex information, only 5% of that information has to do with abstinence programs. For those reasons and other reasons which I'll reserve for the Third Reading, I'm going to vote no. Thank you."

Representative Finnegan rose to speak in opposition to the measure, stating:

"Please note my no vote. This is on 590. I'd just like to mention that as a parent, it kind of penalizes us that want to be able to understand what our children are learning, especially if there's no

parental consent required in this. When and what our children are learning, and when the appropriateness of that is. Let parents be able to guide that type of education. Thank you."

Representative Kahikina rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Meyer rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Cabanilla rose to speak in support of the measure, stating:

"Mr. Speaker, I stand in strong support of this measure. Like I've said in the previous discussion, this is a matter that cannot be resolved in this Body. We'll have to leave it with the experts. But I also want to say that I don't like abortion. I'm opposed to abortion. But if we only teach abstinence in schools, it's been proven that it only works half of the time, or even less. And as long as I'm opposed to abortion, I'm going to advocate for sex education in our schools because that's a deterrent to a more grave scenario that we don't want. Thank you, Mr. Speaker."

Representative B. Oshiro rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in support of this measure. Just briefly, I just wanted to clarify. I think the version of this bill has changed somewhat from the original version. And I would like to explain it. Basically as we've heard from the testifiers, there is federal funding that comes down for abstinence-only programs. However, the bulk of those programs are devoted to actually, basically doing the 'keeping the kids busy after school' kind of activities. Not necessarily doing any preaching, on any educational efforts in abstinence only. Rather, they've used that definition broadly so that they can find other ways in which to move towards that direction. All we're saying in this bill is that, if you are going to be preaching anything about sex education, make sure it's accurate. Thank you."

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

"Yes, Mr. Speaker. Again, with reservations. Mr. Speaker, no matter what we say, no law should circumvent a parent's right to raise their family and their children. And for those reasons, I stand in reservations."

Representative Lee rose to speak in support of the measure, stating:

"I rise in support. And I just wanted to add to the list of people who support this bill, the American Medical Association, American Academy of Pediatrics, the National Education Association and American School Health Association. They all support comprehensive sexuality information. And I believe that many parents sitting here on the Floor also support this. We need to make sure that all teens in Hawaii are provided with medically accurate sex information so they'll make knowledgeable and informed decisions about their sexual health. Children may be excused from receiving sex education at the request of their parents."

Representative Pine rose to respond, stating:

"Mr. Speaker, I'm sorry. Just in rebuttal to the Majority Floor Leader. I was really disturbed that we're getting federal funding to teach abstinence-only programs, and it's not going to abstinence-only programs. I think that we should also look into the fact that we should use this money for those reasons. But I'll reserve my comments for Third Reading. Thank you."

Representative Finnegan rose to respond, stating:

"Yes, Mr. Speaker. I just want to make clear, and I'm still in opposition, that I understand that parents can request, but how do we know when it's going to be taught, to request that we don't want our children to be taught certain information or whatever. And it doesn't state anything like that in here. So that's my opposition to the bill. Thank you."

The Chair then stated:

"For those members of Finance, this bill is being referred to your respective Committee. I hope you've heard the discussion this afternoon on this particular topic, which is such an emotional topic. And I hope you can work on some compromise."

Representative Ching rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. Just reservations. And I'd like to add that I would like to see parents have some sort of notification. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2060, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," was referred to the Committee on Finance with Representatives Finnegan, Pine and Stonebraker voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 591-06) recommending that H.B. No. 3096, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3096, entitled: "A BILL FOR AN ACT RELATING TO CURBSIDE RECYCLING," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kahikina, for the Committee on Housing presented a report (Stand. Com. Rep. No. 592-06) recommending that H.B. No. 2966, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2966, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 593-06) recommending that H.B. No. 3222, HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3222, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 594-06) recommending that H.B. No. 3144, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3144, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE STATE PHARMACY ASSISTANCE PROGRAM," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representatives Herkes and Luke, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 595-06) recommending that H.B. No. 2646, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2646, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 596-06) recommending that H.B. No. 2635, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2635, entitled: "A BILL FOR AN ACT RELATING TO THE AHIHI-KINAU NATURAL AREA RESERVE MANAGEMENT PLAN," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 597-06) recommending that H.B. No. 2587, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2587, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MARINE RESOURCES," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Ito, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 598-06) recommending that H.B. No. 173, as amended in HD 1, pass Second Reading and be referred to the Committee on Labor & Public Employment.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 173, HD 1, pass Second Reading and be referred to the Committee on Labor & Public Employment, seconded by Representative B. Oshiro.

Representative Moses rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. In opposition. Thank you, Mr. Speaker. This bill limits the Governor's ability to appoint an Adjutant General unless he served five years or more in the National Guard. Now, it says that in addition to that, he has to be a commissioned officer, field grade officer, and federally recognized, and he can serve that in the National Guard or in any of the State territories. Armed forces of the United States, that counts. Reserved component or active duty, that's all good. But then there's that limitation, he has to serve five years in the National Guard.

"I just want to point out they grandfathered in our current Adjutant General, but the point isn't directed toward him. It's directed toward

the whole philosophy of limiting a person like that. Let me give you an example. Now let's say this bill wasn't grandfathering in this Adjutant General. Just listen to his background.

"He was commissioned in 1971 to the ROTC program at the University of Hawaii. He went through the Air Defense Artillery Basic Course; he was assigned to the Army Reserve. He's served as ..."

Representative Takai rose, stating:

"Point of information, Mr. Speaker. Thank you, the speaker right now is talking about the Adjutant General, General Lee. And this bill exempts General Lee from the amendments made to law. So I'm not too sure why the Representative is talking about the credentials of our present General. Thank you."

Representative Moses continued, stating:

"I can make my point, Mr. Speaker. I'm trying to show how this would affect other officers of the same kind of nature, the same kind of background. Why they should not be limited. So I'm just giving you a background of this particular officer who is not five years in the National Guard.

"Then he went on to be platoon leader for 411th Engineering Battalion and the 332nd Civil Affairs Group. In 1972, he went to the 100th Battalion, 442. He served in successive assignments there, promoted to platoon leader, company commander, battalion operations officer. In 1980, he served two years on active duty. And then he was assigned back to the 100th Battalion, 442 as the assistant air operations officer.

"In 1982 he was reassigned as ground liaison officer in the corps operations staff, IX Corps (Reinforcement). 1988, he returned to the 100th Battalion, 442 as a commanding officer. 1991, following that command, he served as assistant chief of staff for operations and training IX Corps, and then the 9th Army Reserve Command. In 1996, he was appointed as the chief of staff, 9th Army Reserve Command.

"He's attended the Army War College, the Command and General Staff Officers Course, the Infantry Officer Advanced Course, and the Air Force Ground Operations School. He's got the Legion of Merit, Meritorious Service Medal, Army Commendation Medal, and the Army Achievement Medal. All of that without serving five years in the National Guard of this State.

"My point is that there can be very qualified people without serving five years in the National Guard. The problem that brought this all about is there is a club. There's a club in all services. We call it the 'ring knockers' club, or whatever you want to say. There's people within the National Guard that say, 'Why were we passed over? Why weren't we made the Adjutant General or considered for it because we served our time in the National Guard?' Well, it's simple. Sometimes people come along that are better qualified and they get the appointment. And that's what happened here.

"And now we're trying to go back and make a law to say that can never happen again. So for instance, the Chair of the Military Affairs Committee, if he retires from this Body, or if I retire from this Body, neither of us could be the Adjutant General because we have not served five years in the National Guard. I don't think it's good. Thank you."

Representative Ito rose to speak in support of the measure, stating:

"Mr. Speaker, in support. First of all, I'm not qualified to be a General. I'd rather be an enlisted man, with four stripes. And Mr. Speaker, General Lee did serve in the National Guard. I'm in support. You don't want anybody applying for this job. You want the best. And if you want the best, you want a guy with minimum qualifications, and that they served in its organization. We put five

years, and if appointed, you can lead the organization. I think if you really want the best, I think this is the way to go. Thank you."

Representative Stonebraker rose to speak in support of the measure with reservations, stating:

"I'd like to vote with reservations and make reference to the Representative's comments from Makakilo. I think it's a dangerous precedent if we begin to disqualify the lot of people who may be very well qualified to direct such a fine organization. And for those reasons and in reference to the fine qualifications of General Lee, I'm voting with reservations. Thank you."

Representative Ching rose to speak in support of the measure with reservations, stating:

"Yes, with reservations also. I think this speaks to merit, and the wider the menu of people you can choose from, the better. Thank you."

Representative Stevens rose to speak in opposition to the measure, stating:

"Mr. Speaker, I'd like to vote no on this measure. I just don't want to limit the pool of good officers that could come and serve our State in this capacity. Thank you."

Representative Pine rose to speak in support of the measure with reservations, stating:

"With reservations, Mr. Speaker. Every Governor since Statehood has appointed the person to this position, but for some reason, we don't believe that this Governor can appoint the right person. We have to tell this Governor who, and on what they need to qualify, to appoint. Thank you."

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. An aye with very strong reservations."

Representative Yamane rose to speak in support of the measure, stating:

"Mr. Speaker, I'm standing in support. We've talked about the Legislature being aware and involved. A part of this is that when we hire people in the various businesses and the various organizations we belong to, we look at minimum qualifications. We look at areas of expertise. We look at the needs of what our company, and in this position, our State need. And what is a factor in all those decision hiring is a fact of experience, expertise, and knowledge. And that's something that somebody who may come from a different area or even branch of service, could qualify for this position.

"And what the intent of this, Mr. Speaker, is to make sure that we do get the best. And we do get the people who are going to be involved with protecting our lives following a natural disaster. So I stand in strong support. Thank you."

Representative Thielen rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Halford rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Finnegan rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Cabanilla rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 173, HD 1, entitled: "A

BILL FOR AN ACT RELATING TO THE NATIONAL GUARD," passed Second Reading and was referred to the Committee on Labor & Public Employment with Representatives Finnegan, Halford, Moses, Stevens and Thielen voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Ito, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 599-06) recommending that H.B. No. 3029, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3029, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Ito, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 600-06) recommending that H.B. No. 2343, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2343, entitled: "A BILL FOR AN ACT RELATING TO THE PENAL CODE," passed Second Reading and was referred to the Committee on Judiciary with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Abinsay, for the Committee on Agriculture presented a report (Stand. Com. Rep. No. 601-06) recommending that H.B. No. 2870, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2870, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE STATE AGRICULTURAL WATER USE AND DEVELOPMENT PLAN," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Abinsay, for the Committee on Agriculture presented a report (Stand. Com. Rep. No. 602-06) recommending that H.B. No. 2179, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2179, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Abinsay, for the Committee on Agriculture presented a report (Stand. Com. Rep. No. 603-06) recommending that H.B. No. 2842, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2842, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST IN CONSTRUCTING AND MAKING IMPROVEMENTS TO THE AGRICULTURAL IRRIGATION SYSTEMS ON THE NORTH SHORE OF THE ISLAND OF OAHU," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Abinsay, for the Committee on Agriculture presented a report (Stand. Com. Rep. No. 604-06) recommending that H.B. No. 3068, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3068, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 605-06) recommending that H.B. No. 1789, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1789, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 606-06) recommending that H.B. No. 3124, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3124, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 607-06) recommending that H.B. No. 2049, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2049, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RESTROOM FACILITIES FOR WOMEN," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 608-06) recommending that H.B. No. 3120, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3120, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SUBSTANCE ABUSE TREATMENT," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 609-06) recommending that H.B. No. 3139, HD 1, as amended in HD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3139, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was

referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 610-06) recommending that H.B. No. 3140, HD 1, as amended in HD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3140, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 611-06) recommending that H.B. No. 3141, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3141, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DENTAL SPECIALISTS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 612-06) recommending that H.B. No. 2112, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2112, HD 2, be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Marumoto rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, just for the record, I voted with reservations in Committee on this measure. And I... well... no I must have the wrong committee report. My recollection is not so good on this, but let me check the record.

"Page 27, SCR 612, Relating to Public Lands. This has to do with prior legislative approval. With reservations. My recollection is that I voted in Committee with reservations, but the Committee Report does not reflect my vote. And I just checked the records of our researcher and her votes, her tally, shows that I did vote with reservations. So I'll leave it at that."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2112, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 613-06) recommending that H.B. No. 2242, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2242, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 614-06) recommending that H.B. No. 1917, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1917, HD 1, entitled: "A BILL FOR AN ACT PROPOSING AMENDMENTS TO THE HAWAII CONSTITUTION RELATING TO THE ESTABLISHMENT OF A SALARY COMMISSION," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 615-06) recommending that H.B. No. 1918, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1918, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COMMISSION ON SALARIES," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 616-06) recommending that H.B. No. 2500, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2500, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 617-06) recommending that H.B. No. 2051, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2051, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Lee rose to speak in support of the measure, stating:

"Mr. Speaker, I stand in strong support of this measure. Mr. Speaker, our State already has laws against prostitution and other crimes. So why do we need an anti-trafficking law? According to the National Institute on State Policy on trafficking of women and girls, until states enact comprehensive anti-trafficking laws, prosecutors' use existing criminal statutes to prosecute traffickers for such crimes as false imprisonment, kidnapping, rape, and aggravated assault. But these laws are insufficient and they do not criminalize all manifestations of exploitative trafficking into the United States. They don't offer protection from prosecution for all trafficked women, girls and persons. Criminalizing human trafficking should bring State law into accord with a Federal Trafficking Victims Protection Act of 2000. Reauthorized in 2003, and would enable local and State law enforcement to investigate and prosecute these crimes working in partnership with federal law enforcement.

"Another aspect of trafficking is the regulation of international marriage brokers that operate to bring mail-order brides to our State. From 2003, our State became the second in the Nation to pass such a law. Additionally, in 2004, Hawaii became the first state in the Nation to regulate travel services that operate in the State to facilitate State tourism. The provision of social services victim assistance to trafficked persons is an important aspect of any trafficking legislation. The task force which part of this bill will be charged with looking into this important part of the puzzle that is not addressed in the present draft. Not perfect legislation at this point, the passage to this bill out of the Judiciary Committee is a major

milestone. It is my hope that the many important people in our community including police, prosecutors, immigrant services, public defender, domestic violence providers and victim advocates who work together to determine the nature and extent of trafficking in our community; and make recommendations for legislative policy and programmatic initiatives.

"Although most of what we read and hear concerns the horrors of trafficking of persons in other countries, the United States and yes, Hawaii, are major destination for traffickers. We are obligated, therefore to respond to this most appalling violation of the basic human rights of women and girls, men and boys. I urge the Members to support this measure. We can complete the trilogy of support for victims and lead our Nation. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2051, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROTECTION FOR VICTIMS OF HUMAN TRAFFICKING," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented two reports:

(Stand. Com. Rep. No. 618-06) recommending that H.B. No. 2177, be referred to the Committee on Finance; and

(Stand. Com. Rep. No. 619-06) recommending that H.B. No. 2178, be referred to the Committee on Finance.

Representative M. Oshiro moved that the reports of the Committee be adopted, and that H.B. Nos. 2177 and 2178, be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Thielen rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I'm rising with reservations on both 618 and 619 for the same reason. Thank you, Mr. Speaker. My reservations are that there are Water Commission issues and I'm concerned about going ahead with these measures at this point. Thank you."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.B. No. 2177, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 12, OF THE HAWAII STATE CONSTITUTION," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused; and

H.B. No. 2178, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 620-06) recommending that H.B. No. 2271, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2271, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NON-AGRICULTURAL PARK LANDS," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 621-06) recommending that H.B. No. 2440, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee

was adopted and H.B. No. 2440, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM ATHLETE AGENTS ACT," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 622-06) recommending that H.B. No. 937, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 937, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 623-06) recommending that H.B. No. 2503, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2503, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DERELICT VEHICLE," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 624-06) recommending that H.B. No. 2778, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2778, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LANGUAGE ACCESS," was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 625-06) recommending that H.B. No. 2145, HD 1, as amended in HD 2, be referred to the Committee on Tourism & Culture.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2145, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL TOURISM," was referred to the Committee on Tourism & Culture with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Karamatsu, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 626-06) recommending that H.B. No. 3065, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3065, entitled: "A BILL FOR AN ACT RELATING TO CAPITAL INVESTMENTS," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Karamatsu, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 627-06) recommending that H.B. No. 2181, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2181, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

Representative Karamatsu, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 628-06) recommending that H.B. No. 3087, as amended in HD 1, be referred to the Committee on Finance.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3087, HD 1, be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative B. Oshiro rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I'd like to request another ruling on a potential conflict of interest. My law firm is really busy and we represent the HHSC. They're actually one of my clients in regards to giving advice on procurement. Thank you."

The Chair ruled:

"Excused. He's excused. So no vote."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3087, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," was referred to the Committee on Finance with Representatives Green, Hale, B. Oshiro, Souki, Takumi and Tanaka being excused.

Representative Waters, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 629-06) recommending that H.B. No. 3173, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3173, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE UNIVERSITY OF HAWAII AT HILO," passed Second Reading and was referred to the Committee on Finance with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

SUSPENSION OF RULES

On motion by Representative B. Oshiro, seconded by Representative Meyer and carried, the rules were suspended for the purpose of considering certain bills on Third Reading on the basis of a modified consent calendar. (Representatives Green, Hale, Souki, Takumi and Tanaka were excused.)

THIRD READING

H.B. No. 2476:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2476, 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 OBSOLETE OR UNNECESSARY PROVISIONS," passed Third Reading by a vote of 46 ayes, with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

H.B. No. 2896:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2896, entitled: "A BILL FOR AN ACT RELATING TO EMOTIONAL DISTRESS," passed Third Reading by a vote of 46 ayes, with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

H.B. No. 2900:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2900, entitled: "A BILL FOR AN ACT RELATING TO ELECTRONIC VOTING," passed Third Reading by a vote of 46 ayes, with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

H.B. No. 3242:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 3242, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR," passed Third Reading by a vote of 44 ayes to 2 noes, with Representatives Chang and Karamatsu voting no, and with Representatives Green, Hale, Souki, Takumi and Tanaka being excused.

At 4:06 o'clock p.m., the Chair noted that H.B. Nos. 2476; 2896; 2900; and 3242, passed Third Reading.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 17 and 18) and concurrent resolutions (H.C.R. Nos. 23 through 26) were referred to Printing and further action was deferred:

H.R. No. 17, entitled: "HOUSE RESOLUTION REQUESTING THAT THE DEPARTMENT OF HAWAIIAN HOME LANDS ADVOCATE FOR THE PROTECTION OF MOLOKAI SURFACE AND GROUND WATER FOR HAWAIIAN HOMESTEADERS," was jointly offered by Representatives Kahikina, Carroll, Kanoho, Kawakami, Morita and Waters.

H.R. No. 18, entitled: "HOUSE RESOLUTION URGING THE STATE COUNCIL OF HAWAIIAN HOMESTEAD ASSOCIATIONS TO DEVELOP AND SUBMIT TO THE SECRETARY OF THE INTERIOR A LIST OF CANDIDATES FOR THE NINE MEMBER COMMISSION CALLED FOR IN THE NATIVE HAWAIIAN REORGANIZATION ACT, ALSO KNOWN AS THE AKAKA BILL," was jointly offered by Representatives Kahikina, Kanoho, Morita, Carroll and Waters.

H.C.R. No. 23, entitled: "HOUSE CONCURRENT RESOLUTION ENCOURAGING THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY TO LEASE THE ALA MOANA PUMP STATION TO FRIENDS OF THE LIBRARY OF HAWAII," was jointly offered by Representatives Waters, Arakaki, Shimabukuro, Cabanilla, Chang, Green and Takumi.

H.C.R. No. 24, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THAT THE DEPARTMENT OF HAWAIIAN HOME LANDS ADVOCATE FOR THE PROTECTION OF MOLOKAI SURFACE AND GROUND WATER FOR HAWAIIAN HOMESTEADERS," was jointly offered by Representatives Kahikina, Carroll, Kanoho, Kawakami, Morita and Waters.

H.C.R. No. 25, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE STATE COUNCIL OF HAWAIIAN HOMESTEAD ASSOCIATIONS TO DEVELOP AND SUBMIT TO THE SECRETARY OF THE INTERIOR A LIST OF CANDIDATES FOR THE NINE MEMBER COMMISSION CALLED FOR IN THE NATIVE HAWAIIAN REORGANIZATION ACT, ALSO KNOWN AS THE AKAKA BILL," was jointly offered by Representatives Kahikina, Kanoho, Morita, Carroll and Waters.

H.C.R. No. 26, entitled: "HOUSE CONCURRENT RESOLUTION URGING HAWAII'S FEDERAL AND STATE OFFICIALS TO SEEK AN EXCEPTION TO HOMELAND SECURITY POLICIES THAT BAR CERTAIN ACTIVITIES ON HAWAII'S WATERFRONT SO THAT SPECIFIC PIERS MAY BE USED BY THE PUBLIC TO DECORATE FLOATS FOR THE KING KAMEHAMEHA CELEBRATION, PRINCE KUHIO COMMEMORATIVE CELEBRATION, AND THE ALOHA WEEK FESTIVALS," was jointly offered by Representatives Kahikina, Kanoho, Kawakami, Morita, Carroll and Waters.

ANNOUNCEMENTS

Representative M. Oshiro: "Mr. Speaker, there will be a Medicare D Briefing, on Tuesday, February 21st, at 10:00 a.m. in Room 423, where they can learn the basics of Medicare D Program, get directions to websites, phone numbers and contacts to assist family, friends and constituents. This is presented by Medicare Today and the HMSA."

Speaker Say "For all of you, have a safe President's Day weekend and we'll be back to work on Tuesday."

ADJOURNMENT

At 4:07 o'clock p.m. on motion by Representative B. Oshiro, seconded by Representative Meyer and carried, the House of Representatives adjourned until 12:00 o'clock noon, Tuesday, February 21, 2006. (Representatives Green, Hale, Souki, Takai, Takumi and Tanaka were excused.)

TWENTY-SECOND DAY

Tuesday, February 21, 2006

The House of Representatives of the Twenty-Third Legislature of the State of Hawaii, Regular Session of 2006, convened at 12:06 o'clock p.m., with Vice Speaker Takai presiding.

The invocation was delivered in song by Mr. Les Among, legislative aide to Representative Stevens, after which the Roll was called showing all members present with the exception of Representatives Karamatsu, Morita, Moses, Saiki and Takamine, who were excused.

By unanimous consent, reading and approval of the Journal of the House of Representatives of the Twenty-First Day was deferred.

SENATE COMMUNICATION

The following communication from the Senate (Sen. Com. No. 9) was received and announced by the Clerk:

Sen. Com. No. 9, transmitting S.B. No. 2261, entitled: "A BILL FOR AN ACT RELATING TO DISCLOSURE OF VITAL STATISTICS RECORDS TO LAW ENFORCEMENT OFFICERS FOR CRIMINAL INVESTIGATIONS," which passed Third Reading in the Senate on February 17, 2006.

On motion by Representative B. Oshiro seconded by Representative Meyer and carried, the following Senate bill passed First Reading by title and further action was deferred: (Representatives Karamatsu, Morita, Moses, Saiki and Takamine were excused.)

S.B. No. 2261

INTRODUCTIONS

The following introductions were made to the members of the House:

Representative Magaoay introduced members of the Pupukea Seniors: Ms. Carol Cashman, President; Ms. Ruth Webster, Vice President; Ms. Peggy Cutting, Secretary; Ms. Sylvia Botha, Treasurer; Ms. Shirley Head, Founder; and members, Ms. Harriet Dixon, Ms. Lu Williams, Ms. Margie Cameron, Mr. Tom Bionde, Ms. Jeannine Poling, Ms. Loretta Watts, Ms. Ida Perryman, Ms. Barbara Payne, Mr. John Cutting, and Mr. Frank Bionde who is 101 years old.

Representative M. Oshiro introduced retired Washington State Assembly Chief Sergeant-at-Arms, Mr. Ross Young and his wife, Mrs. Mary Young who were visiting from Washington State.

Representative Stevens introduced Mrs. Beverly K. Among, mother of Mr. Les Among who gave today's invocation. She was accompanied by her sister, Ms. Ginger Yong.

ORDER OF THE DAY

COMMITTEE ASSIGNMENTS

The following concurrent resolutions (H.C.R. Nos. 24 through 26) and resolutions (H.R. Nos. 17 and 18) were referred to committee by the Speaker:

H.C.R.Nos.Referred to:

24 Jointly to the Committee on Hawaiian Affairs and the Committee on Housing and the Committee on Water, Land, & Ocean Resources

25 Committee on Hawaiian Affairs

26 Jointly to the Committee on Hawaiian Affairs and the Committee on Public Safety & Military Affairs

H.R.Nos.Referred to:

17 Jointly to the Committee on Hawaiian Affairs and the Committee on Housing and the Committee on Water, Land, & Ocean Resources

18 Committee on Hawaiian Affairs

COMMITTEE REASSIGNMENTS

The following bills were re-referred to committee by the Speaker:

H.B.Nos.Re-referred to:

2308, HD1 Jointly to the Committee on Energy & Environmental Protection and the Committee on Agriculture, then to the Committee on Finance

2415, HD1 Committee on Health, then to the Committee on Finance

SUSPENSION OF RULES

On motion by Representative B. Oshiro, seconded by Representative Meyer and carried, the rules were suspended for the purpose of considering certain bills on Third Reading on the basis of a modified consent calendar. (Representatives Karamatsu, Morita, Moses, Saiki and Takamine were excused.)

UNFINISHED BUSINESS

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 453-06) recommending that H.B. No. 2050, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2050, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INTERNATIONAL MATCHMAKING," passed Third Reading by a vote of 46 ayes, with Representatives Karamatsu, Morita, Moses, Saiki and Takamine being excused.

At 12:17 o'clock p.m., the Chair noted that H.B. No. 2050, HD 2, passed Third Reading.

STANDING COMMITTEE REPORTS

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 631-06) recommending that H.B. No. 1920, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1920, entitled: "A BILL FOR AN ACT

RELATING TO FINANCIAL LITERACY MONTH," passed Second Reading and was placed on the calendar for Third Reading with Representatives Karamatsu, Morita, Moses, Saiki and Takamine being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 632-06) recommending that H.B. No. 2210, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2210, entitled: "A BILL FOR AN ACT RELATING TO PEARLRIDGE ELEMENTARY SCHOOL," passed Second Reading and was placed on the calendar for Third Reading with Representatives Karamatsu, Morita, Moses, Saiki and Takamine being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 633-06) recommending that H.B. No. 1794, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1794, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAX BRACKETS," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Karamatsu, Morita, Moses, Saiki and Takamine being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 634-06) recommending that H.B. No. 2133, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2133, entitled: "A BILL FOR AN ACT RELATING TO THE NATURAL AREA RESERVE SYSTEM," passed Third Reading by a vote of 46 ayes, with Representatives Karamatsu, Morita, Moses, Saiki and Takamine being excused.

At 12:18 o'clock p.m., the Chair noted that H.B. No. 2133, passed Third Reading.

THIRD READING

H.B. No. 2287, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2287, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT ENFORCEMENT," passed Third Reading by a vote of 46 ayes, with Representatives Karamatsu, Morita, Moses, Saiki and Takamine being excused.

H.B. No. 3234, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 3234, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," passed Third Reading by a vote of 46 ayes, with Representatives Karamatsu, Morita, Moses, Saiki and Takamine being excused.

At 12:19 o'clock p.m., the Chair noted that H.B. Nos. 2287, HD 1; and 3234, HD 1, passed Third Reading.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 19 through 21) and concurrent resolutions (H.C.R. Nos. 27 through 30) were referred to Printing and further action was deferred:

H.R. No. 19, entitled: "HOUSE RESOLUTION REQUESTING THE PRESIDENT OF THE UNITED STATES, THE UNITED STATES DEPARTMENT OF DEFENSE, AND THE UNITED STATES CONGRESS TO TAKE ACTION TO REDUCE THE UNITED STATES MILITARY PRESENCE IN OKINAWA," was jointly offered by Representatives Arakaki, Hale, Karamatsu, Morita, M. Oshiro, Shimabukuro, Tsuji, Berg, Carroll, Chang, Chong, Green, Lee, Magaoay, Nakasone, Say and Takamine.

H.R. No. 20, entitled: "HOUSE RESOLUTION REQUESTING THE STATE COUNCIL ON HAWAIIAN HOMESTEAD ASSOCIATIONS TO SUPPORT CANDIDATES SEEKING ELECTION TO THE OFFICE OF HAWAIIAN AFFAIRS WHOSE PERMANENT RESIDENCE IS ON HAWAIIAN HOME LANDS," was offered by Representative Kahikina.

H.R. No. 21, entitled: "HOUSE RESOLUTION URGING THE DEPARTMENT OF HAWAIIAN HOME LANDS TO SUPPORT THE DEVELOPMENT AND FUNDING OF A COMMUNITY SWIMMING POOL AND A TECHNOLOGICALLY ADVANCED COMPUTER CENTER COMPLEX FOR HAWAIIAN HOMESTEAD RESIDENTS ON MAUI," was offered by Representative Kahikina.

H.C.R. No. 27, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE PRESIDENT OF THE UNITED STATES, THE UNITED STATES DEPARTMENT OF DEFENSE, AND THE UNITED STATES CONGRESS TO TAKE ACTION TO REDUCE THE UNITED STATES MILITARY PRESENCE IN OKINAWA," was jointly offered by Representatives Arakaki, Hale, Karamatsu, Morita, M. Oshiro, Shimabukuro, Berg, Carroll, Chang, Chong, Green, Lee, Magaoay, Nakasone, Say, Sonson, Takamine and Tsuji.

H.C.R. No. 28, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE STATE COUNCIL ON HAWAIIAN HOMESTEAD ASSOCIATIONS TO SUPPORT CANDIDATES SEEKING ELECTION TO THE OFFICE OF HAWAIIAN AFFAIRS WHOSE PERMANENT RESIDENCE IS ON HAWAIIAN HOME LANDS," was offered by Representative Kahikina.

H.C.R. No. 29, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF HAWAIIAN HOME LANDS TO SUPPORT THE DEVELOPMENT AND FUNDING OF A COMMUNITY SWIMMING POOL AND A TECHNOLOGICALLY ADVANCED COMPUTER CENTER COMPLEX FOR HAWAIIAN HOMESTEAD RESIDENTS ON MAUI," was offered by Representative Kahikina.

H.C.R. No. 30, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY TO IMMEDIATELY RESCIND ANY CONTRACT OR AGREEMENT AWARDED, OR COMMITMENT MADE, TO ALEXANDER & BALDWIN PROPERTIES, INC., FOR THE DEVELOPMENT OF KAKAAKO MAKAI," was jointly offered by Representatives Kanohe, Evans, Magaoay, B. Oshiro, M. Oshiro and Say.

ANNOUNCEMENT

Representative Abinsay: "Thank you, Mr. Speaker. Mr. Speaker, at appropriate time before we adjourn this afternoon, may I request for a moment of silence in memory of the presumed over 1,000 people who have died in the landslide on Leyte Island in the Southern Philippines."

At this time, the House of Representatives stood for a moment of silence in memory of victims of the Leyte landside.

ADJOURNMENT

At 12:20 o'clock p.m. on motion by Representative B. Oshiro, seconded by Representative Meyer and carried, the House of Representatives adjourned until 12:00 o'clock noon, tomorrow, Wednesday, February 22, 2006. (Representatives Chang, Karamatsu, Morita, Moses, Saiki and Takamine were excused.)

TWENTY-THIRD DAY

Wednesday, February 22, 2006

The House of Representatives of the Twenty-Third Legislature of the State of Hawaii, Regular Session of 2006, convened at 12:05 o'clock p.m., with the Vice Speaker Takai presiding.

The invocation was delivered by Representative Bud Stonebraker, after which the Roll was called showing all members present with the exception of Representatives Chang, Halford and Karamatsu, who were excused.

By unanimous consent, reading and approval of the Journal of the House of Representatives of the Twenty-Second Day was deferred.

GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 239 and 240) were received and announced by the Clerk and were placed on file:

Gov. Msg. No. 239, dated February 15, 2006, transmitting the report on the adequacy of federal funding for the No Child Left Behind Act.

Gov. Msg. No. 240, dated February 17, 2006, transmitting the Proclamation proclaiming January 2006 as Cervical Cancer Awareness Month.

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 10 through 25) were received and announced by the Clerk:

Sen. Com. No. 10, transmitting S.B. No. 2255, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TIME LIMITATIONS," which passed Third Reading in the Senate on February 21, 2006.

Sen. Com. No. 11, transmitting S.B. No. 2591, entitled: "A BILL FOR AN ACT RELATING TO APPEALS," which passed Third Reading in the Senate on February 21, 2006.

Sen. Com. No. 12, transmitting S.B. No. 2596, entitled: "A BILL FOR AN ACT RELATING TO THE INTERMEDIATE APPELLATE COURT," which passed Third Reading in the Senate on February 21, 2006.

Sen. Com. No. 13, transmitting S.B. No. 2597, entitled: "A BILL FOR AN ACT RELATING TO APPELLATE JURISDICTION," which passed Third Reading in the Senate on February 21, 2006.

Sen. Com. No. 14, transmitting S.B. No. 2599, entitled: "A BILL FOR AN ACT RELATING TO APPEALS," which passed Third Reading in the Senate on February 21, 2006.

Sen. Com. No. 15, transmitting S.B. No. 2601, entitled: "A BILL FOR AN ACT RELATING TO DOCUMENTS SEALED UPON FILING," which passed Third Reading in the Senate on February 21, 2006.

Sen. Com. No. 16, transmitting S.B. No. 2602, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ADULT PROBATION RECORDS," which passed Third Reading in the Senate on February 21, 2006.

Sen. Com. No. 17, transmitting S.B. No. 2604, entitled: "A BILL FOR AN ACT RELATING TO INTERMEDIATE APPELLATE COURT PANELS," which passed Third Reading in the Senate on February 21, 2006.

Sen. Com. No. 18, transmitting S.B. No. 2607, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRANSFER OF APPEALS," which passed Third Reading in the Senate on February 21, 2006.

Sen. Com. No. 19, transmitting S.B. No. 2608, entitled: "A BILL FOR AN ACT RELATING TO GUARDIAN AND PROTECTIVE PROCEEDINGS," which passed Third Reading in the Senate on February 21, 2006.

Sen. Com. No. 20, transmitting S.B. No. 2609, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WRIT OF CERTIORARI," which passed Third Reading in the Senate on February 21, 2006.

Sen. Com. No. 21, transmitting S.B. No. 2610, S.D. 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO THE HAWAII CONSTITUTION RELATING TO CHANGING THE NAME OF THE INTERMEDIATE APPELLATE COURT," which passed Third Reading in the Senate on February 21, 2006.

Sen. Com. No. 22, transmitting S.B. No. 2611, entitled: "A BILL FOR AN ACT RELATING TO VEXATIOUS LITIGANTS," which passed Third Reading in the Senate on February 21, 2006.

Sen. Com. No. 23, transmitting S.B. No. 2896, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," which passed Third Reading in the Senate on February 21, 2006.

Sen. Com. No. 24, transmitting S.B. No. 3124, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," which passed Third Reading in the Senate on February 21, 2006.

Sen. Com. No. 25, transmitting S.B. No. 3183, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO VEHICULAR EMISSIONS," which passed Third Reading in the Senate on February 21, 2006.

On motion by Representative B. Oshiro seconded by Representative Meyer and carried, the following Senate bills passed First Reading by title and further action was deferred: (Representatives Chang, Halford and Karamatsu were excused.)

S.B. No. 2255, SD 1	S.B. No. 2607, SD 1
S.B. No. 2591	S.B. No. 2608
S.B. No. 2596	S.B. No. 2609, SD 1
S.B. No. 2597	S.B. No. 2610, SD 1
S.B. No. 2599	S.B. No. 2611
S.B. No. 2601	S.B. No. 2896, SD 1
S.B. No. 2602, SD 1	S.B. No. 3124
S.B. No. 2604	S.B. No. 3183, SD 1

DEPARTMENTAL COMMUNICATION

The following departmental communication (Dept. Com. No. 54) was received by the Clerk and was placed on file:

Dept. Com. No. 54, dated February 15, 2006, from Marie C. Laderta, Director, Department of Human Resources Development, transmitting their report regarding the establishment of separate series for Human Services Professionals and Social Workers.

INTRODUCTIONS

The following introductions were made to the members of the House:

Representative Moses introduced from the University of Hawaii, Dr. Brent Buckley, Extension Beef Specialist; and his students: Ms. Elizabeth Cruz, Ms. Denise McQueary, and Ms. Stacie Nakashima.

Representative Arakaki, on behalf of Representatives Abinsay, Magaoay, Finnegan, Pine and himself, introduced Mr. Jaime V. Agtang, an attorney with the Office of the Governor in Ilocos Norte. He was accompanied by Representative Arakaki's legislative aide, Mr. Edgar Fernandez.

Representative Finnegan, on behalf of Representative Wakai and herself, introduced Mr. Gene Albano and Mr. Philip Martin of Aliamanu.

ORDER OF THE DAY

COMMITTEE ASSIGNMENTS

The following concurrent resolutions and resolutions were referred to committee by the Speaker:

H.C.R.

Nos.

Referred to:

- | | |
|----|---|
| 23 | Committee on Water, Land, & Ocean Resources |
| 27 | Jointly to the Committee on Public Safety & Military Affairs and the Committee on International Affairs |
| 29 | Jointly to the Committee on Hawaiian Affairs and the Committee on Housing |
| 30 | Committee on Water, Land, & Ocean Resources |

H.R.

Nos.

Referred to:

- | | |
|----|---|
| 19 | Jointly to the Committee on Public Safety & Military Affairs and the Committee on International Affairs |
| 21 | Jointly to the Committee on Hawaiian Affairs and the Committee on Housing |

STANDING COMMITTEE REPORTS

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 635-06) recommending that H.B. No. 2412, as amended in HD 1, be adopted, passed, and recommitted to the Committee on Finance.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2412, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO THE INTERNAL REVENUE CODE," was adopted, passed, and recommitted to the Committee on Finance with Representatives Chang, Halford and Karamatsu being excused.

SUSPENSION OF RULES

On motion by Representative B. Oshiro, seconded by Representative Meyer and carried, the rules were suspended for the purpose of considering certain bills on Third Reading on the basis of a modified consent calendar. (Representatives Chang, Halford and Karamatsu were excused.)

THIRD READING

H.B. No. 1920:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 1920, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL LITERACY MONTH," passed Third Reading by a vote of 48 ayes, with Representatives Chang, Halford and Karamatsu being excused.

H.B. No. 2210:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2210, entitled: "A BILL FOR AN ACT RELATING TO PEARLRIDGE ELEMENTARY SCHOOL," passed Third Reading by a vote of 48 ayes, with Representatives Chang, Halford and Karamatsu being excused.

At 12:17 o'clock p.m., the Chair noted that H.B. Nos. 1920 and 2210, passed Third Reading.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 22 through 25) and concurrent resolutions (H.C.R. Nos. 31 through 34) were referred to Printing and further action was deferred:

H.R. No. 22, entitled: "HOUSE RESOLUTION REQUESTING THE STATE COUNCIL OF HAWAIIAN HOMESTEAD ASSOCIATIONS TO APPOINT A COMMITTEE TO RESEARCH NATIVE GOVERNMENTS TO IDENTIFY NATIVE JUSTICE SYSTEMS AND MAKE RECOMMENDATIONS ON A JUSTICE SYSTEM APPROPRIATE FOR HAWAIIAN HOME LANDS," was offered by Representative Kahikina.

H.R. No. 23, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF HAWAIIAN HOME LANDS TO PROVIDE FOUR-WHEEL-DRIVE COMPACTED ROADS FOR THE KAHIKINUI HOMESTEAD," was offered by Representative Kahikina.

H.R. No. 24, entitled: "HOUSE RESOLUTION REQUESTING THE CITY COUNCIL OF THE CITY AND COUNTY OF HONOLULU AND THE MAYOR OF THE CITY AND COUNTY OF HONOLULU TO ENACT PROPERTY TAX RELIEF MEASURES," was jointly offered by Representatives Marumoto, Finnegan, Stevens, Stonebraker, Thielen, Halford, Meyer and Moses.

H.R. No. 25, entitled: "HOUSE RESOLUTION COMMEMORATING THE FIFTY-SECOND ANNIVERSARY OF THE DETONATION OF THE BRAVO HYDROGEN BOMB OVER BIKINI ATOLL, DECLARING MARCH 1, 2006, AS A DAY OF REMEMBRANCE, AND REQUESTING THE UNITED STATES CONGRESS TO ENACT APPROPRIATE MEASURES TO PROVIDE FOR THE FULL HEALTH NEEDS OF THE HYDROGEN BOMB TESTS SURVIVORS AND THEIR PROGENY, PAY APPROPRIATE PROPERTY DAMAGE CLAIMS, AND PROVIDE FOR THE COSTS OF CLEANING UP NUCLEAR SITES IN THE REPUBLIC OF THE MARSHALL ISLANDS IN CONNECTION WITH HYDROGEN BOMB TESTING ON ATOLLS OF THE REPUBLIC OF THE MARSHALL ISLANDS," was jointly offered by Representatives Takumi, Abinsay, Berg, Kanoho, Marumoto, Takai, Wakai, Evans, Green, Kahikina, Nakasone, Souki, Stevens, Tanaka and Thielen.

H.C.R. No. 31, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE STATE COUNCIL OF HAWAIIAN HOMESTEAD ASSOCIATIONS TO APPOINT A COMMITTEE TO RESEARCH NATIVE GOVERNMENTS TO IDENTIFY NATIVE JUSTICE SYSTEMS AND MAKE RECOMMENDATIONS ON A JUSTICE SYSTEM APPROPRIATE FOR HAWAIIAN HOME LANDS," was offered by Representative Kahikina.

H.C.R. No. 32, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HAWAIIAN HOME LANDS TO PROVIDE FOUR-WHEEL-DRIVE COMPACTED ROADS FOR THE KAHIKINUI HOMESTEAD," was offered by Representative Kahikina.

H.C.R. No. 33, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE CITY COUNCIL OF THE CITY AND COUNTY OF HONOLULU AND THE MAYOR OF THE CITY AND COUNTY OF HONOLULU TO ENACT PROPERTY TAX RELIEF MEASURES," was jointly offered by Representatives Marumoto, Finnegan, Stevens, Stonebraker, Thielen, Halford, Meyer and Moses.

H.C.R. No. 34, entitled: "HOUSE CONCURRENT RESOLUTION COMMEMORATING THE FIFTY-SECOND ANNIVERSARY OF THE DETONATION OF THE BRAVO HYDROGEN BOMB OVER BIKINI ATOLL, DECLARING MARCH 1, 2006, AS A DAY OF REMEMBRANCE, AND REQUESTING THE UNITED STATES CONGRESS TO ENACT APPROPRIATE MEASURES TO PROVIDE FOR THE FULL HEALTH NEEDS OF THE HYDROGEN BOMB TESTS SURVIVORS AND THEIR PROGENY, PAY APPROPRIATE PROPERTY DAMAGE CLAIMS, AND PROVIDE FOR THE COSTS OF CLEANING UP NUCLEAR SITES IN THE REPUBLIC OF THE MARSHALL ISLANDS IN CONNECTION WITH HYDROGEN BOMB TESTING ON ATOLLS OF THE REPUBLIC OF THE MARSHALL ISLANDS," was jointly offered by Representatives Takumi, Berg, Hale, Kanoho, Takai, Wakai, Green, Kahikina, Sonson, Souki, Stevens and Yamashita.

ADJOURNMENT

At 12:17 o'clock p.m. on motion by Representative B. Oshiro, seconded by Representative Meyer and carried, the House of Representatives adjourned until 12:00 o'clock noon, Thursday, March 2, 2006. (Representatives Chang, Halford and Karamatsu were excused.)

TWENTY-FOURTH DAY

Thursday, March 2, 2006

The House of Representatives of the Twenty-Third Legislature of the State of Hawaii, Regular Session of 2006, convened at 12:05 o'clock p.m., with the Speaker presiding.

The invocation was delivered by Representative Pono Chong, after which the Roll was called showing all members present with the exception of Representatives Pine and Shimabukuro, who were excused.

By unanimous consent, reading and approval of the Journal of the House of Representatives of the Twenty-Third Day was deferred.

GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 241 through 243) were received and announced by the Clerk and were placed on file:

Gov. Msg. No. 241, dated January 27, 2006, transmitting the Department of Labor and Industrial Relations' Workforce Development Council's 2006 Report, "Hawaii's Workforce Development in 2005: Stepping Stones to 2006."

Gov. Msg. No. 242, dated February 9, 2006, transmitting the Hawaii Ocean Resources Management Plan 2005 Status Report for calendar year ending December 31, 2005.

Gov. Msg. No. 243, dated February 14, 2006, transmitting the Office of Youth Services 2005 Annual Report for Fiscal Year 2005.

DEPARTMENTAL COMMUNICATION

The following departmental communication (Dept. Com. No. 55) was received by the Clerk and was placed on file:

Dept. Com. No. 55, dated February 21, 2006, transmitting the Office of Youth Services (OYS) Annual Report for Fiscal Year 2005.

INTRODUCTIONS

The following introductions were made to the members of the House:

Representative M. Oshiro introduced National Conference of State Legislatures Fiscal Analyst and Hawaii Liaison, Ms. Corina Eckl, and former Alaska State House of Representatives Member, Mr. Eldon Mulder.

Representative Marumoto introduced Mrs. Idelle Kodish visiting from Akron Ohio who is also volunteering in her office. She was accompanied by her friend, Ms. Gaye Miyasaki, Legislative Aide to Representative Marumoto.

Representative Tanaka introduced his office staff, Mr. Frank Tsuji and Ms. Erica Moon.

ORDER OF THE DAY

COMMITTEE ASSIGNMENTS

The following concurrent resolutions and resolutions were referred to committee by the Speaker:

H.C.R.
Nos.

Referred to:

- | | |
|----|---|
| 31 | Jointly to the Committee on Hawaiian Affairs and the Committee on Housing |
| 32 | Jointly to the Committee on Hawaiian Affairs and the Committee on Housing |
| 33 | Committee on Judiciary, then to the Committee on Finance |
| 34 | Committee on International Affairs |
| 35 | Committee on Human Services |

H.R.
Nos.

Referred to:

- | | |
|----|---|
| 22 | Jointly to the Committee on Hawaiian Affairs and the Committee on Housing |
| 23 | Jointly to the Committee on Hawaiian Affairs and the Committee on Housing |
| 24 | Committee on Judiciary, then to the Committee on Finance |
| 25 | Committee on International Affairs |
| 26 | Committee on Human Services |

COMMITTEE REASSIGNMENT

The following bill was re-referred to committee by the Speaker:

H.B.
No.

Re-referred to:

- | | |
|--------------|-------------------------------|
| 3193,
HD1 | Committee on Higher Education |
|--------------|-------------------------------|

STANDING COMMITTEE REPORTS

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 636-06) recommending that H.B. No. 2972, as amended in HD 1, be adopted, passed, and recommitted to the Committee on Consumer Protection & Commerce for further consideration.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2972, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTRICAL LICENSING," was adopted, passed, and recommitted to the Committee on Consumer Protection & Commerce for further consideration, with Representatives Pine and Shimabukuro being excused.

Representatives Herkes and Luke, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 637-06) recommending that H.B. No. 1935, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 1935, 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, with Representative Shimabukuro being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 638-06) recommending that H.B. No. 1796, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1796, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NOTICE," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Waters, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 639-06) recommending that H.B. No. 3194, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3194, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE COMMISSION FOR NATIONAL AND COMMUNITY SERVICE," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Kanoho, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 640-06) recommending that H.B. No. 1930, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1930, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FISHING," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representatives Arakaki and Sonson, for the Committee on Health and the Committee on Human Services presented a report (Stand. Com. Rep. No. 641-06) recommending that H.B. No. 2098, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2098, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DEVELOPMENTAL DISABILITIES," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Ito, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 642-06) recommending that H.B. No. 2457, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2457, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE PLAN," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 643-06) recommending that H.B. No. 1977, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1977, HD 1, entitled: "A BILL FOR AN

ACT RELATING TO STRUCTURED SETTLEMENTS," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 644-06) recommending that H.B. No. 1995, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1995, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENDANGERING THE WELFARE OF A MINOR," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 645-06) recommending that H.B. No. 2250, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2250, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TIME LIMITATIONS," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 646-06) recommending that H.B. No. 2410, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2410, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 647-06) recommending that H.B. No. 2780, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2780, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DISPOSITION OF CONVICTED DEFENDANTS," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 648-06) recommending that H.B. No. 2895, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2895, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LIMITATION OF ACTIONS," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 649-06) recommending that H.B. No. 2899, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2899, HD 1, entitled: "A BILL FOR AN

ACT RELATING TO JUDGMENT LIENS," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 650-06) recommending that H.B. No. 3250, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3250, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SUPERSEDEAS BONDS," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 651-06) recommending that H.B. No. 386, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 386, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative B. Oshiro.

Representative Hale rose and asked that the Clerk record a no vote for her and the Chair "so ordered."

Representative Thielen rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I also would like a no vote cast for me on this and just a few words, Mr. Speaker. Thank you, I'm glad Representative Hale caught this measure. I ask the Members to look at this and see if we really want to do away with jury duty exemptions for certain classes of people. One of which would include a judge of the United States, a judge of the State of Hawaii, a practicing physician, a practicing dentist, a member of law enforcement or militia when on active service.

"Those are exemptions that are presently in the law and this bill would remove them along with some others. I really ask Members to look at this and consider whether the bill should come back out again for Third Reading or just be quietly deferred. Thank you."

Representative B. Oshiro rose to speak in support of the measure, stating:

"Mr. Speaker, I stand in support of this measure. I just wanted to offer some comments for clarification. Actually this really isn't necessarily declaring an automatic exemption. What this does, is it allows a person, when they receive what is called a 'jury pool office questionnaire' to mark whether categorically, they want to exempt themselves from jury service.

"All we're saying with this bill is over the years, we've added tons of different categories and really the question is, do people deserve a categorical exemption in terms of their service to the public and our judicial system? And if they don't, then all they need to do is put it down. They can write whatever reason they have why they feel they should be exempted and it's up to them individually. But categorically what do we feel rises to the level that they should be excluded. Thank you."

Representative Karamatsu rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Sonson rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Meyer rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Souki rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Stevens rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Evans rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Moses rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 386, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COURTS," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Hale, Sonson, Souki and Thielen voting no, and with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 652-06) recommending that H.B. No. 1233, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1233, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL RIGHTS," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 653-06) recommending that H.B. No. 2208, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2208, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COUNTIES," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 654-06) recommending that H.B. No. 2233, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2233, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative B. Oshiro.

Representative Karamatsu rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Finnegan rose to speak in support of the measure with reservations, stating:

"Reservations on that same measure, Mr. Speaker, and I'll save my comments for Third Reading."

Representative Thielen rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Meyer rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Sonson rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Berg rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2233, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDEMNATION," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 655-06) recommending that H.B. No. 2404, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2404, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC MEETINGS," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 656-06) recommending that H.B. No. 2859, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2859, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FENCING," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 657-06) recommending that H.B. No. 2455, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading; and

Representatives Luke and Magaoay, for the Committee on Judiciary and the Committee on Legislative Management presented a report (Stand. Com. Rep. No. 658-06) recommending that H.B. No. 2454, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative M. Oshiro moved that the reports of the Committees be adopted, and that H.B. No. 2455, HD 1, and H.B. No. 2454, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in opposition to the measure, stating:

"Mr. Speaker, I'd like to speak first of all to Standing Committee Report 657 and I'd like to enter a very strong, strong no. I really thought learning the ropes here was going to be full of a lot of new experiences, but I guess I wasn't quite prepared for some of these new experiences.

"This particular bill is attempting to set up a process of appointments should we have a vacancy in the US Senate. I know that many of us in the 'old guard' or many of the 'older guard' or the 'older leadership', are probably very, quite worried right now because we have a lot of new, young blood emerging asking for their place in our future. This type of bill is exactly what the 'old guard' would

want us to do, which is very stealthily introduce a bill that should there be a vacancy, that the appointment come from a list from the prevailing Party.

"Well I'm going to speak to the next bill and I'm going to tell you what it's like to interact with the prevailing Party. Especially with a prevailing Party that doesn't even follow their own rules. So if we're going to pick for a vacancy, as important as a US Senator is, from a list that comes from the Chair of a Party that doesn't follow its own rules, where are we headed? What are we going to do?

"But I think the question that I'm begging an answer for right now, and I sure I hope get it from my Party members is, why now? Is there something that we should know about our existing US Senators that we suddenly have to have a way to appoint them? Where we have an election coming up this year? I think we need to maybe get some answers from our Party leaders. What is wrong with our US Senators that we have to stealthily run a bill through one Committee down to this Floor so that our Party Chair can make a recommendation to the Governor should a US Senator fall ill or resign?

"Now I'm going to say this number once and I'm going to say it again. There are over 630,000 voters in this State. 630,000. We have 30,000 registered Democrats, and maybe 10,000 registered Republicans. Of those people what do we have? Five backroom leaders who are going to select our next US Senator as an incumbent. Is there something wrong with our US Senators? This is wrong, wrong, wrong. Let's just grow up and let's do it the right way. Get some public input into how we do this selection process and let some of our young people step forward. And I'll be back for the next bill."

Representative Marumoto rose to speak in opposition to the measure, stating:

"Mr. Speaker, I'm in opposition to this measure. I notice that this bill was introduced by several Democrats and the testifiers were all Democrats. The Democratic Party of Hawaii; the Democratic Action Hawaii, that must be a committee; and William Woods, who is a well-known Democrat. And I'm wondering whether the motivation behind this measure rises from the fact that the present Governor who would select the replacement for a US Senator is from the Republican Party?

"I think this is a rather scary measure in that the Committee could ... Well, the bill could change in Committee where instead of picking five perspective candidate, could instead propose three or two or even one, and I hope this wouldn't happen by the end of Session. I hope this measure does not make it to the end of Session. Thank you very much."

Representative Stonebraker rose to speak in opposition to both measures, stating:

"I like to cast a no vote on Standing Committee Report 657 and 658."

Representative Thielen rose to speak in opposition to both measures, stating:

"Thank you, Mr. Speaker, I like to cast a no vote on the same two measures, 657 and 658, for the reasons that have been expressed by the Representatives from Kakaako and from Kahala. Thank you."

Representative Halford rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I like to vote no on this and I have a couple comments. This is on 657, Mr. Speaker. This bill has a lot to do with partisan politics, and does not really, in my view, have very much to do about the welfare of the State of Hawaii or the welfare of its citizens.

"Mr. Speaker, this bill is asking that a Central Committee of a Party decide essentially who the next Senator may be. Maybe better said that the next interim Senator, because very soon thereafter there'll be a vote the very next even numbered year. In November there will be an election by the people for our next Senator, so this bill is addressing an interim, short-term replacement being chosen by the Central Committee of a Party. And God bless them. The Central Committees of the Parties that I'm been familiar with were very energetic in being partisan and having their team win, but I don't know that they're so well-suited to choose for the benefit of the whole State, and having this partisan limitation limits the field tremendously.

"As was earlier said, that maybe not even 50,000 not even you know 5% of the population of the State of Hawaii are partisan to begin with. So this limits the choice from any other Party or any Independent or anyone else that might be qualified to serve Hawaii in a very good way. So I vote no."

Representative Stevens rose to speak in opposition to both measures, stating:

"Yes, Mr. Speaker, I'd like to cast a no vote on Standing Committee Reports 657 and 658, and just a couple comments. I've been reading the series on the Broken Trust in the newspaper and I just felt that in reading that, I could see where the difficulty that the Supreme Court ran into when they had a Special Committee formed to make a selection. It seemed to run counter to the way things should be done. So I just encourage colleagues, Mr. Speaker, to take a look at that series of articles as they cast their vote on this bill. Thank you very much."

Representative Meyer rose to speak in opposition to both measures, stating:

"Thank you, Mr. Speaker, I'd like to register a no vote on both Stand. Com. Reports 657 and 658."

Representative Finnegan rose to speak in opposition to both measures, stating:

"Thank you, Mr. Speaker, same request. And just one comment in regards to SCR 657. According to NCSL, there are no other states that appear to have this limit on the Executive in this way as well."

Representative Ching rose to speak in opposition to both measures, stating:

"Thank you. Same request. A no vote on both measures."

Representative Schatz rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in support of 657. There seems to be a little bit of misunderstanding about current law. The Representative from Kihei expressed a concern that this process, if it were passed, the law would somehow preclude other Parties or other people from participating in the process.

"The current law is such that if the incumbent Representative or Senator is a member of a particular Party, then the Governor's requirement is only that they appoint somebody from the same Party. That's the only requirement. And it actually doesn't even say whether the person has to be long-standing member of the Party. They can sign up on the spot. That raises some concerns. This legislation tweaks the process only slightly to say that it should be somebody that is selected by the political Party that is currently occupying that seat. It's a reasonable tweak in the right direction.

"Now the arguments against this current legislation are actually arguments against the current law. If we really want to be pure about this, then maybe the solution is to move to upon vacancy, we move to a special election. That's the way it's done in a lot of other states.

If we ask NCSL, I'm sure they will provide us with model legislation. But what's clear is that the current process is unacceptable. The current process provides too much authority to one individual to appoint a United States Senator, a United States Representative, a Council person, or whatever.

"So this an attempt to improve the process from where we are now. We shouldn't compare this bill to some other imaginary bill that doesn't exist yet. If the Members on the other side of the aisle want to work on this process to make it make more sense for everyone, I'd be happy to work with them. I'm sure the other Members would be happy to make it work. But let's not pretend that the current process is an inclusive one. The current process in statute allows the Governor to just pick somebody, and I don't think that's enough of a process to make the public feel confident that the community is being provided with adequate input. Thank you."

Representative Moses rose to speak in opposition to both measures, stating:

"Thank you, Mr. Speaker. In opposition to both measures. And the current process seemed to have worked fine with the previous Governors. We didn't try, on this side of the aisle, to change it under Governor Cayetano or anybody else. And everybody over on the other side can say, 'Well our Senators weren't that old then,' but they were still pretty old. We never attempted to try and change it. We had faith in our Governors.

"And this does preclude, 590,000 other registered voters in this State. Many of them are Democrats or Republicans, but maybe not active members of the Party so they will not rise to the level of observation if you will, by the Central Committees. But that doesn't mean they're not of those Party affiliations. Thank you."

The Chair then stated:

"Thank you very much. Members, let's proceed on. Stand. Com. Report No. 658."

Representative Harbin rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. Once again a very strong no and let me for this particular bill, dig down into my own personal experiences. First of all, maybe perhaps we might want to change the title from 'Relating to Legislative Vacancies' to 'The Bev Harbin Bill' or Anti-Bev Harbin ..."

The Chair interjected, stating:

"Representative Harbin, you're out of order when you state your name. Proceed."

Representative Harbin continued, stating:

"Thank you. Thank you. With me continuing in order, let me start by saying that I'm a victim of the process which we're trying to imbed into statute right now.

"Let me tell you the veil of secrecy. In fact what I'm going to do is I'm going to ask that rules of the Democratic Party be entered into the Journal for me please so we can in the future ..."

Speaker Say: "Representative Harbin, you're out of order, Representative Harbin. Can you confine your remarks to the legislation that is before you."

Representative Harbin: "Yes. The legislation says that should a vacancy occur the person shall be selected by the Party. Correct? At least I believe that's what the legislation says. What I'm saying is, we have a problem and I have my own personal experiences, which says the Party has rules and bylaws on how they go about holding meetings and making selections. In my instance, they failed to have

minutes. In my instance, they failed to even have a secretary. In my instance, there were no records of who they interviewed, what their background was. And once the selections were made, when we take a look at the people who were selected, one still had a residence in Hawaii Kai in the telephone book. One didn't know what HCDA was, or is.

"What I'm saying is I really wonder whether the Party has the benefit of the State at heart, or the benefit of establishing a strong Party for certain individuals. I go back again to my number. There are at least 630,000 voters in this State of Hawaii. We've been very happy with the Constitution. The voters voted in the Constitution on how we select vacancies. It's worked. Do we have a problem with it now? Is it because we have or are going to be looking at more vacancies because some of us are getting older? Some faster than others. I know I am.

"But if that doesn't work, then we need to put it to the voters. We've done it once through the Constitution. If there's a *puka* in the Constitution, let's fix it through the Constitution. Let's put it to the voters. Let us not sit here as a group and make determinations on how we're going to change it for how the voters established they wanted it done.

"There's been three vacancies that I know of in this past two Sessions. One was done beautifully because it was a cooperative effort. It was a beautiful, beautiful process and we got a beautiful Representative that represents part of the outer islands. There was the second process which was a disaster and still is a disaster. And through that we're going to learn our lessons and maybe do things right around here and follow rules, and the Party follows their rules. And the third was another very nice process. Thoughtful process and we got another beautiful Representative who's actually more freshman than me, and I love it. She's good. She knows what she's doing.

"But we need to, when we have these interim vacancies, is do it right. Not in secret, around the rules. Coming up with people who are maybe not prepared, and are just here just to make way for whomever the Party decides.

"Sorry, this is a strong no. And when we come around to the Third Reading I sure hope we get a roll call because I'm telling you, the people out there need to know who here wants to hang in with the old guard. Thank you."

Representative Schatz rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in support of 658. And you know, in my view this bill is essentially addressing the problem the Representative from Kakaako is describing, which is that we have three legislative vacancies and three different processes. And the public needs to know, and we need to establish as a policy making body, what is the process for replacing a Representative or Senator who vacates their seat.

"Now let's have a discussion about what's the appropriate process. Maybe this bill isn't perfect. Maybe there's a new process that we can talk about. But what I'm hearing is we ought not to have a process and that because we didn't have a process under Cayetano, Waihee, and Ariyoshi that we still ought not to have a process.

"In my view, let's figure out what the most fair, the most reasonable, the most inclusive way to replace a Representative who vacates their seat is. We had three Representatives replaced in three different ways, and it should not depend on the good judgment of any particular Executive, whether or not we are including the community.

"It's a really simple question. Should we, or should we not, have a process set in statute? Or should we leave it all up to whoever's sitting in the Governor's seat? You know, it's an election year so everybody wants to make this about what we are doing or not doing

to the current Governor. This is a really bigger question than that. Whatever we do here is going to remain in statute probably for decades and determine who 10, 20, or 30 Representatives and Senators will be.

"So let's get serious. Let's talk about what the best process is. If you really think that the best process is the current statute which says, it's the Governor's call, then that's fine. Then go up and articulate that argument. But if you think that the process deserves further consideration and we should set something in statute that makes people feel confident that when somebody is appointed that it was done right, then let's get working on this. We have a half a Session to work on it. Thank you."

The Chair then stated:

"The Chair has been fair because most Members have recorded their votes on both measures at this time."

Representative Marumoto rose to speak in opposition to the measure, stating:

"I did not express the fact that I am also in opposition to Stand. Com. 658."

Representative Halford rose to speak in opposition to the measure, stating:

"A no vote on this measure, 658 also."

The motion was put to vote by the Chair and carried, and the reports of the Committees were adopted and H.B. No. 2455, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNITED STATES SENATE," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Ching, Finnegan, Harbin, Halford, Marumoto, Meyer, Moses, Stevens, Stonebraker and Thielen voting no, and with Representative Shimabukuro being excused; and

H.B. No. 2454, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LEGISLATIVE VACANCIES," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Ching, Finnegan, Harbin, Halford, Marumoto, Meyer, Moses, Stevens, Stonebraker and Thielen voting no, and with Representative Shimabukuro being excused.

Representatives Kanoho and Abinsay, for the Committee on Water, Land, & Ocean Resources and the Committee on Agriculture presented a report (Stand. Com. Rep. No. 659-06) recommending that H.B. No. 767, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative M. Oshiro moved that the report of the Committees be adopted, and that H.B. No. 767, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative B. Oshiro.

Representative Berg rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and H.B. No. 767, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPSITES," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 660-06) recommending that H.B. No. 2319, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee

was adopted and H.B. No. 2319, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representatives Herkes and Luke, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 661-06) recommending that H.B. No. 2330, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2330, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SOCIAL SECURITY NUMBER PROTECTION," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representatives Herkes and Luke, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 662-06) recommending that H.B. No. 2453, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2453, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CREDIT CARDS," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representatives Luke and Magaoay, for the Committee on Judiciary and the Committee on Legislative Management presented a report (Stand. Com. Rep. No. 663-06) recommending that H.B. No. 1844, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 1844, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE RULES," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 664-06) recommending that H.B. No. 2299, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2299, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHAPTER 803," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 665-06) recommending that H.B. No. 3256, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3256, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PENAL CODE," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 666-06) recommending that H.B. No. 1826, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1826, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THEFT," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 667-06) recommending that H.B. No. 3254, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3254, HD 1, entitled: "A BILL FOR AN ACT RELATING TO OATHS OF OFFICE," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 668-06) recommending that H.B. No. 1936, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1936, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative B. Oshiro.

Representative Cabanilla rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in strong support of Stand. Com. 668 and I ask that my comments be added to the Journal. In strong support," and the Chair "so ordered."

Representative Cabanilla's written remarks are as follows:

"This Body has supported over the years extending particular rights and privileges to condominium association members so that greater transparency and equality between the owner and management is facilitated.

"This bill, HB 1936, HD 1, merely permits members with Planned Community Associations to have greater access to documents, and thus, be better educated on the affairs and operation pertaining to their investment – that being their own home.

"Testimony on this measure revealed that there is a void, a lack of recourse for Planned Community Association members to exercise the very basics meant to assist them in preserving their investment. This measure fills in that void.

"In addition, the measure will provide the Department of Commerce and Consumer Affairs with the guidance and ability to ensure that the very laws protecting condo owners are rightfully extended to Planned Community Association members."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1936, 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, with Representative Shimabukuro being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 669-06) recommending that H.B. No. 1980, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1980, HD 1, pass Second Reading and

be placed on the calendar for Third Reading, seconded by Representative B. Oshiro.

Representative Marumoto rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I rise on Stand Com. Report on 669. It's on the top of page 10. I will rise in favor and express some reservations. I really feel that the use of these multi-use gift cards may be a problem for consumers. I don't think they realize that it will cost them a little more money to use these, as opposed to a gift card from a department store such as Macy's, if I may use that for as an example.

"Ala Moana sells multi-use gift cards but they have dormancy fees in them. What that means is that if you don't use them for a while, let's say after 6 months or a year, the value of it is automatically deducted at a certain amount. You buy a \$25 gift certificate and after a period of time, it loses its value without you knowing it as opposed to a Macy's cards which holds its value.

"These cards are only good at certain areas. The Ala Moana card only in some Ala Moana stores that carry American Express because this is the type of card that they sell. When you get a gift card from Macy's, you know you can buy something at any Macy's store with it. But a lot of people go into an Ala Moana store that doesn't have American Express and they're disappointed when the card is not honored.

"It's hard to tell the balance on some of these multi-use cards. You must go to a certain type of ATM that can read your card and you find out what your balance is, but they charge a fee for that. So that's something the consumer is not really aware of when they purchase it or give one away. Of course you know that if you go to Macy's you can buy something and they will give you your balance.

"Both types of cards must escheat to the State so if it's not cashed in or redeemed after five years, they will they have to pay that balance to the State. Although I wonder that with dormancy fees on the multi-use card whether there will be a balance left on it to escheat.

"The multi-use card makes a profit when they sell the card and as the dormancy fees are collected. On the other hand the Macy's card counts as a liability on its books until it's redeemed or escheated. So that hurts their bottom line.

"We passed a bill. We passed a law last year that said, when it comes to gift certificates no one can charge a fee, and so that's the law now. But the present bill before us will exempt these multi-use cards from fees, and so I think it creates a very unlevel playing field. I would hope that we look at this bill very carefully before we pass it on Third Reading. Thank you."

Representative Sonson rose to speak in support of the measure, stating:

"Thank you very much, Mr. Speaker, in strong support. This is a very creative way to allow somebody to have something that almost looks like a credit card, feels like a credit card, and spends like a credit card to a limited amount that the buyer will buy the card for and gift it to someone.

"For example, I believe the current limit that's planned for these cards in Hawaii is \$300. So instead of getting a credit card for someone that you love, give them something you can afford. It's \$300, there you go. You pay \$300 and that's it.

"The way that the public is going to be protected is of course, you are going to have a print-out every time you purchase something. That's how much you have left. And on the card it says if you don't use it within a period of time we'll charge you these fees.

"Now there's something to be said about fees. Fees are because we tend to pay for convenience all the time. How convenient it is to use a card from Macy's to Nordstrom's to any store in Ala Moana instead of just being limited to a shopping place? So we pay for the convenience of being able to go to any store. Use this as if it's a credit card. Do the people that issue these cards deserve a fee? Yes. Mr. Speaker, that's why we exempt them from this gift certificate's law. We pay for this. We pay for convenience all the time. It makes a lot of sense. Thank you."

Representative Halford rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1980, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GIFT CERTIFICATES," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 670-06) recommending that H.B. No. 3100, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3100, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MORTGAGE FORECLOSURES," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 671-06) recommending that H.B. No. 3225, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3225, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representatives Luke and Herkes, for the Committee on Judiciary and the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 672-06) recommending that H.B. No. 1871, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 1871, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER CREDIT REPORTING AGENCIES," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 673-06) recommending that H.B. No. 2705, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2705, HD 1, entitled: "A BILL FOR AN ACT RELATING TO OUTDOOR ADVERTISING," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 674-06) recommending that H.B. No. 2897, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2897, HD 1, entitled: "A BILL FOR AN ACT RELATING TO APPELLATE JURISDICTION," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 675-06) recommending that H.B. No. 3101, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3101, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING," passed Second Reading, and was placed on the calendar for Third Reading, with Representative Shimabukuro being excused.

Representative Green then rose, stating:

"Mr. Speaker, just reservations on 676. House Bill 1242 please. Thank you sir."

At 12:41 o'clock p.m., Representative M. Oshiro requested a recess, and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 12:41 o'clock p.m.

At this time, then Chair stated:

"Members, at this time the Chair stands corrected. We are on page 11 on the motion by the Majority Leader. His motion was from page 2 through 11, up to Stand. Com. Report 675. Does everyone understand that? Representative Moses? Representative Pine? So we're taking the vote, which is a voice vote all the way up to 675."

At 12:42 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:43 o'clock p.m.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 676-06) recommending that H.B. No. 1242, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1242, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative B. Oshiro.

Representative Green rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I apologize for that previous mistake. I just wanted to rise with reservations on 676 and express my concern that I didn't have a chance as Vice Chair of Health to weigh-in on the bill. Thank you, Mr. Speaker."

Representative Arakaki rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, with reservations also for the same reasons as the Vice Chair."

Representative Stonebraker rose to speak in opposition to the measure, stating:

"Mr. Speaker, I'll be voting against this measure. A couple of things. First of all, if you're pro-life you should vote against this measure. There's no sense voting with reservations. This measure was originally designed to carve out partial birth abortions, but it was amended in the Judiciary Committee where it was given only a single referral, Mr. Speaker. This is a bill that has to do with physicians, with patients, with doctors, with surgery, with abortion, and it didn't go to the Health Committee. That is unfortunate and I think it's a dangerous precedent to set.

"But we have seen this kind of pattern, Mr. Speaker, in this House where anything controversial that has to do with life, abortion, and so forth skips the Health Committee and has a single referral to the Judiciary Committee. It's unfortunate to see what may smack of political agenda being attached to such measures. This bill really should go to the Health Committee.

"Besides that, the measure was amended in Committee to remove the partial birth abortion portion, but in the process it also removes a provision for what has functioned as a 90-day waiting period. On page 3 of the measure under number 3, the woman upon whom such abortion is to be performed has to wait 90 days or they have to have been in the State for 90 days. This is now removed and also in the process that's removed which can be a safety measure. Anytime you have a waiting period it allows the parties to have some time to think, have some time to contemplate what they're about to do. It also prohibits sort of Hawaii becoming a destination for abortion.

"We're going to fly there on vacation away from our parents and provide an abortion. That's what the measure provided for the in the past. We're removing that. And also we're expanding abortion to clinics and to physicians' offices so for those reason I'm voting no. Thank you."

Representative Sonson rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Moses rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Halford rose to speak in support of the measure with reservations, stating:

"Thank you, with reservations. And I note that I would have appreciated hearing this in the Health Committee. Thank you."

Representative Meyer rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Harbin rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, with reservations. Specifically not going to the philosophy of the subject matter, but my discontent with the process of not following our own rules and expanding this without proper hearing in the right committees."

Representative Cabanilla rose to speak in opposition to the measure, stating:

"Mr. Speaker, in opposition, and may I state my reason for opposition. When people come to Hawaii they think of the beautiful beaches, the beautiful parks, the Aloha Spirit, and the wonderful people of Hawaii. And I love that that's the way the country and the whole world remembers us.

"I think removing the residency guidelines for having an abortion in this State will make us be 'sin city' in the world. I can just imagine a lot of people coming down, parking at the Honolulu International Airport to have their procedure done, and that's the grounds for my opposition. Thank you."

Representative B. Oshiro rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in support. I just wanted to briefly clarify some of the concerns about the procedural process. Basically what happened is there are two bills that were introduced, substantially on the same issue. One was House Bill 1241, one was House Bill 1242.

"House Bill No. 1241 actually has to do with the substantive issue of what is the procedures, and what do we want to have as prohibition when we talk about abortion. That was referred to Health and Judiciary. Unfortunately that bill did not move.

"This Session when we took a look at House Bill number 1242, we carefully looked at the case law that is already standing out there based off of what the United States Supreme Court and other federal jurisdictions have held, and we found that House Bill No. 1242, HD 1, merely is a conformance of the statute that currently we have on the books which is outdated, to meet the case law. That's all that it is.

"It really is a legal matter. It's not a matter of a health concern because the courts have already decided what is allowable and not allowable. We have no choice in this. All we're doing is making our statute meet up with what is out there in the case law. Thank you."

Representative Finnegan rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Pine rose to speak in support of the measure with reservations, stating:

"Just with reservations. I've had very little time to read this bill until now."

Representative Kahikina rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Moses rose to respond, stating:

"Brief statement. I already stated I am in opposition. It's just that it's very saddening to me to hear that life and death are now just legal matters. Thank you."

Representative Stevens rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1242, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SECTION 453-16, HAWAII REVISED STATUTES," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Cabanilla, Finnegan, Kahikina, Meyer, Moses and Stonebraker voting no, and with Representatives Evans, Nishimoto and Shimabukuro being excused.

Representatives Herkes and Luke, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 677-06) recommending that H.B. No. 2434, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2434, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Second Reading and was placed on the calendar for Third Reading with Representatives Evans, Nishimoto and Shimabukuro being excused.

Representatives Herkes and Luke, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a

report (Stand. Com. Rep. No. 678-06) recommending that H.B. No. 2901, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2901, entitled: "A BILL FOR AN ACT RELATING TO GARNISHMENT," passed Second Reading and was placed on the calendar for Third Reading with Representatives Evans, Nishimoto and Shimabukuro being excused.

Representatives Herkes and Luke, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 679-06) recommending that H.B. No. 2535, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2535, entitled: "A BILL FOR AN ACT RELATING TO OFFENSES AGAINST PROPERTY RIGHTS," passed Second Reading and was placed on the calendar for Third Reading with Representatives Evans, Nishimoto and Shimabukuro being excused.

Representatives Herkes and Caldwell, for the Committee on Consumer Protection & Commerce and the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 680-06) recommending that H.B. No. 2317, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 2317, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," passed Second Reading and was placed on the calendar for Third Reading with Representatives Evans, Nishimoto and Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 681-06) recommending that H.B. No. 1947, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1947, entitled: "A BILL FOR AN ACT RELATING TO LIABILITY," passed Second Reading and was placed on the calendar for Third Reading with Representatives Evans, Nishimoto and Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 682-06) recommending that H.B. No. 2898, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2898, entitled: "A BILL FOR AN ACT RELATING TO ARBITRATION," passed Second Reading and was placed on the calendar for Third Reading with Representatives Evans, Nishimoto and Shimabukuro being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 683-06) recommending that H.B. No. 3253, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3253, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII RULES OF EVIDENCE," passed Second Reading and was placed on the calendar for Third Reading

with Representatives Evans, Nishimoto and Shimabukuro being excused.

At this time, the Chair announced:

"Members, action on Standing Committee Reports Nos. 684-06 to 708-06, as listed on pages 13 to 18, will be deferred one legislative day so that the Members of this Chamber can go back to your Caucuses to go over these 3rd Reading bills."

Stand. Com. Rep. No. 684-06, and H.B. No. 2145, HD 2:

By unanimous consent, Stand. Com. Rep. No. 684-06, and H.B. No. 2145, HD 2, were deferred one legislative day.

Stand. Com. Rep. No. 685-06, and H.B. No. 2058:

By unanimous consent, Stand. Com. Rep. No. 685-06, and H.B. No. 2058, were deferred one legislative day.

Stand. Com. Rep. No. 686-06, and H.B. No. 2737, HD 1:

By unanimous consent, Stand. Com. Rep. No. 686-06, and H.B. No. 2737, HD 1, were deferred one legislative day.

Stand. Com. Rep. No. 687-06, and H.B. No. 3238, HD 1:

By unanimous consent, Stand. Com. Rep. No. 687-06, and H.B. No. 3238, HD 1, were deferred one legislative day.

Stand. Com. Rep. No. 688-06, and H.B. No. 1468:

By unanimous consent, Stand. Com. Rep. No. 688-06, and H.B. No. 1468, were deferred one legislative day.

Stand. Com. Rep. No. 689-06, and H.B. No. 1869, HD 1:

By unanimous consent, Stand. Com. Rep. No. 689-06, and H.B. No. 1869, HD 1, were deferred one legislative day.

Stand. Com. Rep. No. 690-06, and H.B. No. 1923, HD 1:

By unanimous consent, Stand. Com. Rep. No. 690-06, and H.B. No. 1923, HD 1, were deferred one legislative day.

Stand. Com. Rep. No. 691-06, and H.B. No. 2258, HD 1:

By unanimous consent, Stand. Com. Rep. No. 691-06, and H.B. No. 2258, HD 1, were deferred one legislative day.

Stand. Com. Rep. No. 692-06, and H.B. No. 2950:

By unanimous consent, Stand. Com. Rep. No. 692-06, and H.B. No. 2950, were deferred one legislative day.

Stand. Com. Rep. No. 693-06, and H.B. No. 2952, HD 1:

By unanimous consent, Stand. Com. Rep. No. 693-06, and H.B. No. 2952, HD 1, were deferred one legislative day.

Stand. Com. Rep. No. 694-06, and H.B. No. 3123, HD 1:

By unanimous consent, Stand. Com. Rep. No. 694-06, and H.B. No. 3123, HD 1, were deferred one legislative day.

Stand. Com. Rep. No. 695-06, and H.B. No. 3235, HD 1:

By unanimous consent, Stand. Com. Rep. No. 695-06, and H.B. No. 3235, HD 1, were deferred one legislative day.

Stand. Com. Rep. No. 696-06, and H.B. No. 1819, HD 1:

By unanimous consent, Stand. Com. Rep. No. 696-06, and H.B. No. 1819, HD 1, were deferred one legislative day.

Stand. Com. Rep. No. 697-06, and H.B. No. 1863:

By unanimous consent, Stand. Com. Rep. No. 697-06, and H.B. No. 1863, were deferred one legislative day.

Stand. Com. Rep. No. 698-06, and H.B. No. 2309:

By unanimous consent, Stand. Com. Rep. No. 698-06, and H.B. No. 2309, were deferred one legislative day.

Stand. Com. Rep. No. 699-06, and H.B. No. 2347:

By unanimous consent, Stand. Com. Rep. No. 699-06, and H.B. No. 2347, were deferred one legislative day.

Stand. Com. Rep. No. 700-06, and H.B. No. 2479:

By unanimous consent, Stand. Com. Rep. No. 700-06, and H.B. No. 2479, were deferred one legislative day.

Stand. Com. Rep. No. 701-06, and H.B. No. 2805:

By unanimous consent, Stand. Com. Rep. No. 701-06, and H.B. No. 2805, were deferred one legislative day.

Stand. Com. Rep. No. 702-06, and H.B. No. 2953, HD 1:

By unanimous consent, Stand. Com. Rep. No. 702-06, and H.B. No. 2953, HD 1, were deferred one legislative day.

Stand. Com. Rep. No. 703-06, and H.B. No. 3063, HD 1:

By unanimous consent, Stand. Com. Rep. No. 703-06, and H.B. No. 3063, HD 1, were deferred one legislative day.

Stand. Com. Rep. No. 704-06, and H.B. No. 3160, HD 1:

By unanimous consent, Stand. Com. Rep. No. 704-06, and H.B. No. 3160, HD 1, were deferred one legislative day.

Stand. Com. Rep. No. 705-06, and H.B. No. 3166, HD 1:

By unanimous consent, Stand. Com. Rep. No. 705-06, and H.B. No. 3166, HD 1, were deferred one legislative day.

Stand. Com. Rep. No. 706-06, and H.B. No. 3173, HD 1:

By unanimous consent, Stand. Com. Rep. No. 706-06, and H.B. No. 3173, HD 1, were deferred one legislative day.

Stand. Com. Rep. No. 707-06, and H.B. No. 3244, HD 1:

By unanimous consent, Stand. Com. Rep. No. 707-06, and H.B. No. 3244, HD 1, were deferred one legislative day.

Stand. Com. Rep. No. 708-06, and H.B. No. 3259, HD 1:

By unanimous consent, Stand. Com. Rep. No. 708-06, and H.B. No. 3259, HD 1, were deferred one legislative day.

THIRD READING

At this time, the Chair announced:

"This will also be deferred one legislative day so we can take up all Third Reading bills on tomorrow's Order of the Day."

H.B. No. 1794, HD 1:

By unanimous consent, action was deferred one legislative day.

Representative Harbin rose, stating:

"I'm sorry. I was asleep at the wheel. Could you say that again for me? Where are we?"

Speaker Say: "Okay we are on number 6 on page 18. Where you see Third Reading for Finance. That particular measure will be deferred one legislative day also."

Representative Harbin: "With that being said then, was I asleep when we went past Committee Report 702?"

Speaker Say: "Nope you were not asleep. What I said to all of you is that from 684 ..."

Representative Harbin: "It will all be for tomorrow? Oh good, then I will be awake tomorrow. Thank you."

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 26 through 29) and concurrent resolutions (H.C.R. Nos. 35 through 42) were referred to Printing and further action was deferred:

H.R. No. 26, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO CONVENE A WORKING GROUP TO DETERMINE THE FEASIBILITY OF IMPLEMENTING PROCEDURES FOR PLACING A CHILD IN TEMPORARY FOSTER CUSTODY WITH KIN OR NON-KIN FOSTER PARENTS," was jointly offered by Representatives Sonson, Arakaki, Cabanilla, Kanoho, Yamane, Berg, Finnegan, Green, Luke, Marumoto, Stonebraker and Tsuji.

H.R. No. 27, entitled: "HOUSE RESOLUTION REQUESTING THE BOARD OF EDUCATION AND THE DEPARTMENT OF EDUCATION TO INCLUDE "CYBER BULLYING" AS A FORM OF HARASSMENT WHEN REVIEWING CHAPTER 8-19 OF ITS ADMINISTRATIVE RULES," was jointly offered by Representatives Lee, Thielen, Yamane, Caldwell, Herkes, Kanoho, Kawakami, Nakasone, Schatz, Souki and Tanaka.

H.R. No. 28, entitled: "HOUSE RESOLUTION RECOGNIZING MARCH AS CAREGIVERS' MONTH IN HAWAII," was jointly offered by Representatives Sonson, Abinsay, Arakaki, Cabanilla, Finnegan, Kanoho, Karamatsu, Luke, B. Oshiro, Pine, Shimabukuro, Takai, Thielen, Yamane, Berg and Takamine.

H.R. No. 29, entitled: "HOUSE RESOLUTION URGING THE UNIVERSITY OF HAWAII TO ESTABLISH UNDERGRADUATE AND GRADUATE DEGREE PROGRAMS IN INFORMATION SECURITY WITHIN THE DEPARTMENT OF INFORMATION AND COMPUTER SCIENCES TO DEVELOP SKILLED AND HIGHLY-TRAINED GRADUATES TO ASSIST THE STATE IN DEFENDING AGAINST CYBER-THREATS," was jointly offered by Representatives Sonson, Arakaki, Cabanilla, Kanoho, Karamatsu, Kawakami, Luke, Shimabukuro, Thielen, Abinsay, Berg, Finnegan, B. Oshiro, Pine, Takamine and Yamane.

H.C.R. No. 35, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO CONVENE A WORKING GROUP TO DETERMINE THE FEASIBILITY OF IMPLEMENTING PROCEDURES FOR PLACING A CHILD IN TEMPORARY FOSTER CUSTODY WITH KIN OR NON-KIN FOSTER PARENTS," was jointly offered by Representatives Sonson, Arakaki, Cabanilla, Kanoho, Yamane, Berg, Finnegan, Green, Luke, Stonebraker and Tsuji.

H.C.R. No. 36, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DIRECTOR OF HEALTH TO CONDUCT A PREVENTION AND EDUCATION CAMPAIGN ON THE INCREASING INCIDENCE OF BEDBUGS," was jointly offered by Representatives Lee, Caldwell, Kanoho, Kawakami, Nakasone, Schatz, Souki, Takumi, Tanaka and Yamane.

H.C.R. No. 37, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO ASSESS THE SOCIAL AND FINANCIAL EFFECTS OF REQUIRING HEALTH INSURERS TO OFFER COVERAGE FOR SURVIVORS OF BRAIN INJURIES," was jointly offered by Representatives Arakaki, Abinsay, Green, Hale, Lee, Nishimoto, M. Oshiro, Schatz and Magaoay.

H.C.R. No. 38, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO AUDIT THE METHODS AND PROCEDURES EMPLOYED BY THE GOVERNOR IN SOLICITING PRIVATE SECTOR SPONSORSHIPS AND CONTRIBUTIONS, IN CASH OR IN-KIND, TO SUPPORT OR DEFRAY THE COSTS OF OFFICIAL GOVERNMENT FUNCTIONS, INCLUDING TRADE MISSIONS," was offered by Representative Schatz.

H.C.R. No. 39, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF TRANSPORTATION TO ESTABLISH A HAWAII PORT AUTHORITY TASK FORCE TO DETERMINE THE FEASIBILITY OF ESTABLISHING A HAWAII PORT AUTHORITY," was offered by Representative Souki.

H.C.R. No. 40, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF TRANSPORTATION TO CONTINUE TO COLLABORATE WITH THE HAWAII HARBOR USERS GROUP TO IMPLEMENT PLANNED IMPROVEMENTS AND CONSTRUCTION TO IMPROVE CARGO TERMINAL AND CONTAINER FACILITIES AT HONOLULU HARBOR, KAHULUI HARBOR, AND HILO HARBOR, AND COMMENDING AND CONGRATULATING THE DEPARTMENT OF TRANSPORTATION AND THE HAWAII HARBOR USERS GROUP FOR THEIR FINE WORK IN COMPLETING THE HAWAII HARBORS USER GROUP'S REPORT," was offered by Representative Souki.

H.C.R. No. 41, entitled: "HOUSE CONCURRENT RESOLUTION RECOGNIZING MARCH AS CAREGIVERS' MONTH IN HAWAII," was jointly offered by Representatives Sonson, Abinsay, Arakaki, Cabanilla, Finnegan, Kanoho, Karamatsu, Luke, B. Oshiro, Pine, Shimabukuro, Takai, Thielen, Yamane, Berg, Kawakami and Takamine.

H.C.R. No. 42, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A SUNRISE REVIEW OF THE REGULATION OF MIXED MARTIAL ARTS," was jointly offered by Representatives Chang, Cabanilla, Caldwell, Kahikina, Kanoho, Karamatsu, Marumoto, Tsuji, Waters, Abinsay, Arakaki, Berg, Chong, Evans, Ito, Magaoay, Shimabukuro, Souki, Takumi, Wakai and Yamashita.

OTHER COMMUNICATION

The following communication was received by the Clerk on February 22, 2006:

"The Senate
The Twenty-Third Legislature
of the
State of Hawaii
STATE CAPITOL
HONOLULU, HI 96813

February 22, 2006

The Honorable Linda Lingle
Governor of the State of Hawaii
State Capitol
Honolulu, Hawaii 96813

Dear Governor Lingle:

In accordance with the provisions of Article XVII, Section 3 of the Hawaii State Constitution, written notice is hereby given of the final form to the following bill(s), a copy of which is attached hereto:

S.B. No. 2182, S.D. 1
"PROPOSING AN AMENDMENT TO ARTICLE X, SECTION 2,
RELATING TO EDUCATION."

S.B. No. 2479
"PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION
12, OF THE HAWAII STATE CONSTITUTION."

S.B. No. 2571
"PROPOSING AMENDMENTS TO THE HAWAII STATE
CONSTITUTION RELATING TO SPECIAL PURPOSE
REVENUE BONDS."

S.B. No. 2610, S.D. 1
"PROPOSING AN AMENDMENT TO THE HAWAII
CONSTITUTION RELATING TO CHANGING THE NAME OF
THE INTERMEDIATE APPELLATE COURT."

S.B. No. 2797
"PROPOSING AN AMENDMENT TO THE HAWAII STATE
CONSTITUTION RELATING TO JUDGES."

S.B. No. 3040
"PROPOSING AN AMENDMENT TO THE HAWAII
CONSTITUTION RELATING TO EXCESS REVENUES."

Respectfully,

/s/Paul T. Kawaguchi
PAUL T. KAWAGUCHI
Clerk of the Senate

PTK:law
Enclosure

cc: Patricia Mau-Shimizu
Clerk of the House"

ANNOUNCEMENTS

Representative Herkes, for the Committee on Consumer Protection and Commerce, requested a waiver of the 48-hour advanced notice requirement for the purpose of hearing H.B. No. 2972, HD 1, today at 2:00 in Conference Room 325 with decision making to follow, and the Chair "so ordered."

Representative Takamine, for the Committee on Finance, requested a waiver of the 48-hour advanced notice requirement for the purpose of hearing the following House Bills:

HB 1835, HD 1, Relating to the Department of Transportation
HB 2043, HD 1, Relating to Medicaid
HB 2265, HD 1, Relating to Corrections
HB 2362, Relating to Prescription Drugs
HB 2606, HD 1, Relating to Motor Vehicle Insurance
HB 2655, HD 1, Relating to Motor Vehicle Accident Investigation
HB 2669, Relating to the Convention Center Enterprise Special Fund
HB 2746, HD 2, Relating to Aviation Fuel Taxes
HB 2910, Relating to Human Services
HB 3053, Relating to Renewable Energy
HB 3060, Relating to High Technology
HB 3133, HD 1, Relating to Federally Qualified Health Centers

"Mr. Speaker, these bills will be heard by your Committee on Finance this afternoon at 2 pm in Room 308. Decision making to follow. Thank you very much," and the Chair "so ordered."

Representative Carroll: "Thank you, Mr. Speaker. Members, you are invited to an informational briefing given by the HSTA and they're going to do a Power Point presentation on the impacts of the weighted student formula in rural areas. Lunch is provided in Room 329. Thank you."

Representative Tanaka: "Thank you, Mr. Speaker. As some of you may know, the offices of myself and Representative Yamashita have been selected to take on the task of raising money and food for the Hawaii Foodbank 2006 food drive. I would like to personally thank all of the offices that put in the effort and enthusiasm to participate in yesterday's box decorating contest. This is the first step in making this year's food drive a huge success and also helps to generate excitement for such a worthwhile cause.

"I hope my colleagues will take the time to check out the fantastic creations around the State Capitol, namely the Division I, first and second place winners: Representative Kahikina and his staff, and Representative Takai and his staff. As you can see on the podium on the left side, you have Representative Kahikina's display and on the right side on the USS Arizona is Representative Takai's display.

"Division II, first and second place winners, you have the House Technical Support and the House Chief Clerk's Office and their boxes are also displayed in front of the podium.

"Thanks also to the judges of the contest. Representative Lynn Finnegan, Kevin Kuroda, and Georgette Deemer, as well as my staff and the staff of Representative Yamashita who are working very hard for this year's food drive. I hope all my colleagues will encourage their offices to participate in raising can goods and getting involved in the many upcoming events that benefit the Hawaii Foodbank and helping Hawaii's hungry. Thank you very much, Mr. Speaker."

Speaker Say: "Thank you very much, and congratulations to all the winners."

Representative Finnegan: "Mr. Speaker, just one short comment. In regards to one point, being a judge. I just wanted to point out that one of these entries had a perfect score, and that was from the Representative from Waianae. Representative Kahikina."

Representative Arakaki: "Mr. Speaker, I'd just like to request that anyone, any Member planning to attend the HIPA or Hawaii Institute for Public Affairs dinner tonight, please sign the certificate for the honorees. Thank you."

ADJOURNMENT

At 12:57 o'clock p.m. on motion by Representative B. Oshiro, seconded by Representative Meyer and carried, the House of Representatives adjourned until 12:00 o'clock noon, tomorrow, Friday, March 3, 2006.

TWENTY-FIFTH DAY

Friday, March 3, 2006

The House of Representatives of the Twenty-Third Legislature of the State of Hawaii, Regular Session of 2006, convened at 12:05 o'clock p.m., with the Speaker presiding.

The invocation was delivered by Reverend Bob Nakata of Kahaluu United Methodist Church, after which the Roll was called showing all members present.

By unanimous consent, reading and approval of the Journal of the House of Representatives of the Twenty-Fourth Day was deferred.

INTRODUCTION

The following introduction was made to the members of the House:

Representative Cabanilla introduced Reverend Marban Z. Lagmay, representing the Evangelical Pentecostal Church of Ilocos Sur in the Philippines, and Ms. Virginia Pineda of Kalihi.

ORDER OF THE DAY

UNFINISHED BUSINESS

The Chair then announced:

"Members, please note that H.B. No. 3193, HD 1 has been referred solely to the Committee on Higher Education per Committee Referral Sheet No. 26 that was placed on your desk yesterday. The Committee on Judiciary has waived its referral to this measure and therefore it is appropriate for the House to consider action for placement on the calendar for Third Reading.

Does everyone understand what we did? This measure has been re-referred from the Committee on Judiciary, back to the Committee on Higher Education. So this measure has been put on the agenda for Third Reading next week."

SUSPENSION OF RULES

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the rules were suspended to reconsider action previously taken on H.B. 3193, HD 1.

RECONSIDERATION OF ACTION TAKEN

Representative M. Oshiro moved that the House reconsider its action previously taken pursuant to the recommendation contained in Standing Committee Report No. 396-06, recommending referral to the Committee on Judiciary, seconded by Representative B. Oshiro and carried.

H.B. No. 3193, HD 1:

Representative M. Oshiro, moved that notwithstanding the recommendation of Standing Committee Report No. 396-06, that H.B. No. 3193, HD 1 be placed on the calendar for Third Reading, seconded by Representative B. Oshiro and carried.

The Chair then addressed Representative Pine, stating:

"Representative Pine, what was the process that we just went through?"

Representative Pine responded, stating:

"We re-referred a bill back to Judiciary. I'm sorry, Higher Ed. I'm sorry, Mr. Speaker. I was trying to multi-task. I apologize."

Speaker Say: "It went through a three-step process, for all of us on the floor of this House."

At 12:13 o'clock p.m., Representative B. Oshiro requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 1:16 o'clock p.m.

SUSPENSION OF RULES

On motion by Representative B. Oshiro, seconded by Representative Meyer and carried, the rules were suspended for the purpose of considering certain bills on Third Reading on the basis of a modified consent calendar. (Representatives Abinsay, Herkes, Kanoho, Magaoay and Takai were excused.)

UNFINISHED BUSINESS

Representative Chang, for the Committee on Tourism & Culture presented a report (Stand. Com. Rep. No. 684-06) recommending that H.B. No. 2145, HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2145, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Berg rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Yamashita rose to speak in support of the measure, stating:

"Mr. Speaker, in strong support of 684. Mr. Speaker, we must recognize the importance of diversified agriculture operations in Hawaii's economy. This measure will provide farmers with the opportunity to diversify their operations, as well as alternative forms of income to allow agricultural tourism to be conducted on existing farms.

"Hawaii has long been recognized as a prime destination for tourism worldwide. Now is the time to showcase Hawaii's agricultural tourism. The key points of this measure are agricultural tourism operation shall be on existing farms and shall be accessory and secondary to principal agricultural use. Also agriculture tourism permits under this measure should not interfere with surrounding farms farming operations.

"Currently there are no guidelines to conduct agricultural tourism on land zoned for agriculture. This measure requires that each county shall set regulations to govern agricultural tourism. In addition, the passage of this measure will aid in clarifying land use codes regarding accessories uses on ag land. I urge my colleagues to support this bill. Thank you."

Representative Berg rose to respond, stating:

"Thank you, Mr. Speaker, I wasn't going to say anything and just leave it with WR, but my concerns have to do with the fact that the counties, at the moment, are already empowered to permit and regulate agricultural tourism. My real concern is that while we talk about tourism, are we talking about gift shops where they sell the products from the farms? Are we talking about restaurants where

they sell the food made from the products? Are we talking about overnight accommodations where they can experience the fragrance of the products on the ag land? So we need to just be cautious. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2145, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL TOURISM," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Waters voting no, and with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 685-06) recommending that H.B. No. 2058, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2058, entitled: "A BILL FOR AN ACT RELATING TO THE REPRODUCTIVE RIGHTS PROTECTION COMMITTEE," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 686-06) recommending that H.B. No. 2737, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2737, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Carroll rose to speak in support of the measure, stating:

"Mr. Speaker. I'd like to speak in support of Standing Committee Report 686, which requires the Attorney General to assist in resolving ownership in issues related to Honopou Road including the Honopou Bridge of the Honopou District in Maui County.

"I would like to say that there was a house that burnt down as a result of the fire department not being able to cross the bridge to get to the house because they were afraid the bridge would actually collapse. This measure would allow for an analysis of how to strengthen that bridge, but also to finalize the dispute on who owns the road as well. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2737, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HONOPOU DISTRICT OF THE COUNTY OF MAUI," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 687-06) recommending that H.B. No. 3238, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3238, HD 1, entitled: "A BILL FOR AN ACT RELATING TO OUT-OF-STATE SALES OF TIME SHARE INTERESTS," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 688-06) recommending that H.B. No. 1468, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1468, entitled: "A BILL FOR AN ACT RELATING TO FIREWORKS," passed Third Reading by a vote of

48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 689-06) recommending that H.B. No. 1869, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1869, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Meyer rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I'm standing up in opposition to Stand. Com. Report 689. I'm not in favor of this \$1,000 annual fee that the pharmaceutical companies that do business in Hawaii will have to pay the Department of Health. I'm not sure that some of the information that's being requested could be proprietary. I also have concerns that the Department of Health does not have the staff to carry out the duties that are required in this bill. For those reasons, and I'm afraid that it will also increase the cost of drugs in the long run, so I'm going to be voting no. Thank you."

Representative Moses rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Takumi rose to speak in support of the measure, stating:

"Thank you very much, Mr. Speaker. In support. Mr. Speaker, this law has already passed in the State of Maine. They've dealt with the question of whether or not the drug companies have to release proprietary information. Certainly, Mr. Speaker, I think we're all well aware of the fact of what happened with Vioxx which is manufactured by Merck.

"Let me just give a little background about that. In 2004, Vioxx was withdrawn from the market based up studies that showed Vioxx increased heart attack risk. It appeared that Merck was aware of the cardiovascular risk as early as 2000. In their testimony to the Committee they said that disclosure results are already mandated by federal law. That is simply not true. The federal law only requires your registration of trials; not the publishing of results after the completion of those trials. That is a crucial difference. Registering that you're going to do a trial, and then not having to publish the result of those trials.

"Since 1989, when it was approved I think ... Well I don't know if you know people who take Vioxx. It's an anti-inflammatory drug with a COX-2 inhibitors like Celebrex, which was withdrawn in 2004. In that 5-year period, Mr. Speaker, over 80 million people worldwide took that drug. In the United States, it is estimated that between 88,000 and 140,000 cases of serious coronary heart disease resulted from the use of Vioxx, and that's why it was withdrawn from the market.

"Had the results of those clinical trials been available for the public and for the medical community when it was disclosed in 2000, I don't know what number would have resulted as far as serious coronary heart disease. My assumption is that it would have come down. If this is what it takes to lower the incidences of these serious illnesses as a result of flawed prescription drugs, I believe that's a step we should take. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1869, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ADVERTISING BY DRUG MANUFACTURERS AND DISCLOSURE OF CLINICAL TRIALS," passed Third Reading by a vote of 46 ayes to 2 noes, with Representatives Meyer and Moses voting no, and with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 690-06) recommending that H.B. No. 1923, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1923, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, rising in opposition. This measure extends by three years, HTA's ability to retain attorneys independent of the Attorney General. I'm concerned that these attorneys, local attorneys, will make decisions that are contrary to the decisions of the State and therefore the State will be liable. But also they can find themselves in court arguing against themselves. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1923, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TOURISM AUTHORITY," passed Third Reading by a vote of 43 ayes to 5 noes, with Representatives Finnegan, Meyer, Moses, Pine and Thielen voting no, and with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 691-06) recommending that H.B. No. 2258, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2258, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 692-06) recommending that H.B. No. 2950, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2950, entitled: "A BILL FOR AN ACT RELATING TO VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION TRUSTS," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 693-06) recommending that H.B. No. 2952, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2952, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I'd like to register my no vote. What do I do with this? Just for the record, I'd like to explain the reason for my no vote and I would encourage my fellow colleagues to please follow with me as we try to understand what these bills of these types, relating to public works, are going to do to our desires as policymakers for affordable housing and fixing our irrigation ditches and the rest of it. This bill as I read it, is attempting to expand what a public works is. When you have a public works without a government contracting agency, you basically have an unenforceable statute.

"What this is trying to do is to create more problems within Chapter 104, which is already creating problems in our construction

and development industries, and I urge all of us to really start to understand Chapter 104.

"During the interim, I was very fortunate to be involved with many, many businesses and the Department of Labor and our labor community in many informational workshops, trying to understand, to see how we can deal with the problems of Chapter 104 and the enforcement, and government, and what government contracting agencies are. We're still befuddled. We're unable as a community to come together on the understanding of what to do. And bills like these are just going to add to the confusion, and to the cost to do the projects that we need to do for people. Thank you."

Representative Moses rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, in opposition. I just want to remind my colleagues that the way this is interpreted, projects that are not directly built or developed by a governmental contracting agency are covered by this. So that could be almost everybody. Thank you."

Representative Meyer rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I'm rising in opposition to this bill. This bill really creates confusion. It implies that Chapter 104 can apply to a project that is not directly built or developed by a governmental contracting agency. It also would require the Department of Labor to collect and maintain the certified payrolls for public works projects that are interpreted to be subject to Chapter 104, but there is no governmental contracting agency. They don't have the staff to do that. I think that if this is the interpretation, that we broaden the public works bill, a lot of things in this actually will have to be changed or we will just have chaos. Thank you, Mr. Speaker."

Representative Marumoto rose to speak in opposition to the measure, stating:

"Mr. Speaker, I'll be voting no on this measure. This sounds like 'new speak'. We are now going to be calling 'private projects,' 'public works'. Thank you."

The Chair then stated:

"Before we proceed on Members to page 5, is there any further discussion on 695? Because this is Third Reading, you are supposed to submit your green slips and your pink slips to your respective Minority Floor Leader and Majority Floor Leader. They should have all of your vote slips. Representative Harbin, you can ask one of the Sergeant-at-Arms staff behind you to give your vote slip to Representative Blake Oshiro."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2952, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC WORKS," passed Third Reading by a vote of 38 ayes to 10 noes, with Representatives Ching, Finnegan, Harbin, Marumoto, Meyer, Moses, Pine, Stevens, Stonebraker and Thielen voting no, and with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 694-06) recommending that H.B. No. 3123, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3123, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR HURRICANE PREPAREDNESS," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 695-06) recommending that H.B. No. 3235, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3235, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE OF HAWAII ENDOWMENT FUND," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 696-06) recommending that H.B. No. 1819, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1819, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHAPTER 281, HAWAII REVISED STATUTES," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 697-06) recommending that H.B. No. 1863, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1863, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 698-06) recommending that H.B. No. 2309, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2309, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 699-06) recommending that H.B. No. 2347, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2347, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR DEPARTMENT OF EDUCATION STUDENT TRANSPORTATION," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 700-06) recommending that H.B. No. 2479, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2479, entitled: "A BILL FOR AN ACT RELATING TO THE CONSTRUCTION OF A PARKING STRUCTURE AT KAKAOKO MAKAI, OAHU," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 701-06) recommending that H.B. No. 2805, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2805, entitled: "A BILL FOR AN ACT RELATING TO STATE PLANNING," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 702-06) recommending that H.B. No. 2953, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2953, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in opposition to the measure, stating:

"Yes, thank you. I'm standing again with another no, and I've got my little green slip turned in. The purpose of this bill again is to take SRPBs and take other projects again into the Chapter 104 jurisdiction. I can keep rising, and I will continue to rise until we all get used to saying, 'Chapter 104,' but perhaps maybe what we might want to do is maybe re-do Chapter 104 and do it the right way so we can include these where we can determine what is a government contracting agency. I would encourage my colleagues to perhaps maybe the next time around, let's see if we can't maybe just re-do Chapter 104. Thank you."

Representative Moses rose to speak in opposition to the measure, stating:

"On 702. Thank you, Mr. Speaker. I did turn in my slip and I just want to point something out. I want to reiterate some of the things that were said. This is subjecting all indirect public works projects such as SRPBs, making the enforcement of Chapter 104 complex and problematic. The problems are exasperated by the fact that there is no clear governmental contracting agency."

"So if there is no government-contracting agency, who's suppose to do this? Who's suppose to track all of this? You know, there is no contract funds that are used to pay laborers in the event of violations, and the contractor has no clear authority, and it goes on and on and on. There are just so many problems with the bill. Thank you."

Representative Meyer rose to speak in opposition to the measure, stating:

"Mr. Speaker. I'm just going to add just a few words on 702, in opposition. As amended this bill will require the Chief Procurement Officer to notify every governmental contracting agency that the requirements of Chapter 104, such as certified payroll and prevailing wage, shall apply to all public works contracts over \$2,000."

"I mean, this just broadens the public works law so much and \$2,000 is a small repair job. Whatever contractor takes a job like that will have to do the certified pay roll. There's only one thing that these bills would do is drive up the cost of construction in this State. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2953, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LABOR," passed Third Reading by a vote of 38 ayes to 10 noes, with Representatives Ching, Finnegan, Harbin, Marumoto, Meyer, Moses, Pine, Stevens, Stonebraker and Thielen voting no, and with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 703-06) recommending that H.B. No. 3063, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3063, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TECHNOLOGY TRAINING," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 704-06) recommending that H.B. No. 3160, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3160, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Waters rose to speak in support of the measure, stating:

"In support, Mr. Speaker. It's a good bill. I ask all of you to support this appropriation bill for the University at Manoa. By the way, I'll be speaking on all these other bills that are appropriating money for Hilo, the Community Colleges, and West Oahu as well."

Representative Cabanilla rose to speak in support of the measure, stating:

"Mr. Speaker, I would like to express my support on Stand. Com. 704. I'm in strong support of the nursing program at the University of Hawaii. We currently import nurses from Canada and the mainland, which double the cost of healthcare in Hawaii. We as a Body here are very concerned about the high cost of healthcare. Developing our own health support system, of which nurses are the number one members of the healthcare force here, we will be decreasing the cost of health care tremendously.

"Also educating our own residents will also increase our economy. Mr. Speaker, as our society is aging at the rate of 6,000 elders per day. And as we get older, our rate of healthcare services also increase, and nurses are the biggest provider of healthcare. So I urge my colleague to support the School of Nursing at the University of Hawaii."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3160, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 705-06) recommending that H.B. No. 3166, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3166, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Cabanilla rose to speak in support of the measure, stating:

"Mr. Speaker, again I rise in support of the School of Nursing at Leeward Community College. We now have the population to support it. Exit interviews at the different high schools in the area indicate that they want to go to the School of Nursing. We also have high demographics of old people in the area, and we don't have any community college on that side of the island. This school will be attended by people from not only the Leeward side, but also from the North Shore and Central Oahu. So I urge my colleagues to support the two-year school of nursing at Leeward Community College. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3166, HD 1, entitled:

"A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 706-06) recommending that H.B. No. 3173, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3173, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE UNIVERSITY OF HAWAII AT HILO," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 707-06) recommending that H.B. No. 3244, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3244, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan rose to speak in support of the measure, stating:

"Mr. Speaker. Thank you, Mr. Speaker, in support with some comments. Thank you, Mr. Speaker, I was taking a look at this bill and I am in support. Being a former victim of identity theft, I was hoping that we would keep the original bill in its original form which prohibits mailing of unsolicited credit cards offers, and makes possession of another's mail with intent to commit identity theft a class C felony.

"We do need to give our police some laws so that they can start to work on some of these issues. Identity theft is a big crime. We just recently tried to put different things like mail email boxes in our areas so that we can try and not have people stealing mail. So even though I am in support of it, I wish that we had kept it in its original version. Thank you."

Representative Luke rose to speak in support of the measure, stating:

"Mr. Speaker, in support. Just for the clarification of the Members. We passed out another bill that prohibits financial association from mailing out pre-approved applications. We also have penalty provisions relating to mail theft, so this is another provision. The reason why the original language was not moved out of the Committee is because those two provisions have been passed out in other bills."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3244, HD 1, entitled: "A BILL FOR AN ACT RELATING TO IDENTITY THEFT," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 708-06) recommending that H.B. No. 3259, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3259, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I like to rise in strong support of this bill. This bill will provide and fill a huge cavity in the dental health need of our State."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3259, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR DENTAL HEALTH," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

At 1:38 o'clock p.m., Representative Takai requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 1:39 o'clock p.m.

At 1:40 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

HB No. 2145, HD 2	HB No. 1863
HB No. 2058	HB No. 2309
HB No. 2737, HD 1	HB No. 2347
HB No. 3238, HD 1	HB No. 2479
HB No. 1468	HB No. 2805
HB No. 1869, HD 1	HB No. 2953, HD 1
HB No. 1923, HD 1	HB No. 3063, HD 1
HB No. 2258, HD 1	HB No. 3160, HD 1
HB No. 2950	HB No. 3166, HD 1
HB No. 2952, HD 1	HB No. 3173, HD 1
HB No. 3123, HD 1	HB No. 3244, HD 1
HB No. 3235, HD 1	HB No. 3259, HD 1
HB No. 1819, HD 1	

H.B. No. 1794, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 1794, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAX BRACKETS," passed Third Reading by a vote of 48 ayes, with Representatives Abinsay, Kanoho and Magaoay being excused.

At 1:40 o'clock p.m., the Chair noted that H.B. No. 1794, HD 1, passed Third Reading:

STANDING COMMITTEE REPORTS

The Chair then announced:

"Members, please note the 48-hour notice for Standing Committee Reports No. 709-06 through 795-06, as listed on pages 8 through 25 of your Order of the Day."

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 709-06) recommending that H.B. No. 1821, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 709-06 on H.B. No. 1821, 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. 1821, HD 2, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 710-06) recommending that H.B. No. 1888, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 710-06 on H.B. No. 1888, 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. 1888, HD 1, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 711-06) recommending that H.B. No. 1975, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 711-06 on H.B. No. 1975, 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. 1975, HD 2, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 712-06) recommending that H.B. No. 2126, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 712-06 on H.B. No. 2126, 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. 2126, HD 2, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 713-06) recommending that H.B. No. 2187, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 713-06 on H.B. No. 2187, 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. 2187, HD 2, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 714-06) recommending that H.B. No. 2526, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 714-06 on H.B. No. 2526, 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. 2526, HD 2, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 715-06) recommending that H.B. No. 2884, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 715-06 on H.B. No. 2884, 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. 2884, HD 2, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 716-06) recommending that H.B. No. 2771, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 716-06 on H.B. No. 2771, 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. 2771, HD 2, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 717-06) recommending that H.B. No. 3118, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 717-06 on H.B. No. 3118, 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. 3118, HD 1, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 718-06) recommending that H.B. No. 3216, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 739-06 on H.B. No. 1891, 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. 1891, HD 2, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 747-06) 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. 761-06 on H.B. No. 2968, 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. 2968, HD 1, were made available to the members of the House.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 762-06) recommending that H.B. No. 3257, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 762-06 on H.B. No. 3257, 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. 3257, HD 1, were made available to the members of the House.

Representatives Herkes and Luke, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 763-06) recommending that H.B. No. 1417, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 763-06 on H.B. No. 1417, 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. 1417, HD 1, were made available to the members of the House.

Representatives Herkes and Luke, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 764-06) recommending that H.B. No. 2192, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 764-06 on H.B. No. 2192, 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. 2192, HD 2, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 765-06) recommending that H.B. No. 1860, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 765-06 on H.B. No. 1860, 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. 1860, HD 1, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 766-06) recommending that H.B. No. 2147, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 766-06 on H.B. No. 2147, 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. 2147, HD 1, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 767-06) recommending that H.B. No. 2421, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 767-06 on H.B. No. 2421, 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. 2421, HD 2, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 768-06) recommending that H.B. No. 2587, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 768-06 on H.B. No. 2587, 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. 2587, HD 2, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 769-06) recommending that H.B. No. 2761, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 769-06 on H.B. No. 2761, 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. 2761, HD 1, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 770-06) recommending that H.B. No. 2806, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 770-06 on H.B. No. 2806, 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. 2806, HD 1, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 771-06) recommending that H.B. No. 2925, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 771-06 on H.B. No. 2925, 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. 2925, HD 1, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 772-06) recommending that H.B. No. 2987, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 772-06 on H.B. No. 2987, 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. 2987, HD 1, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 773-06) recommending that H.B. No. 3142, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 773-06 on H.B. No. 3142, 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. 3142, HD 2, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 774-06) recommending that H.B. No. 3258, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 774-06 on H.B. No. 3258, 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. 3258, HD 2, were made available to the members of the House.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 775-06) recommending that H.B. No. 2589, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 775-06 on H.B. No. 2589, 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. 2589, HD 2, were made available to the members of the House.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 776-06)

printed copies of H.B. No. 2176, HD 2, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 791-06) recommending that H.B. No. 2692, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 791-06 on H.B. No. 2692, 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. 2692, HD 1, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 792-06) recommending that H.B. No. 2964, as amended in HD 1, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 792-06 on H.B. No. 2964, 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. 2964, HD 1, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 793-06) recommending that H.B. No. 3116, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 793-06 on H.B. No. 3116, 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. 3116, HD 2, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 794-06) recommending that H.B. No. 3139, HD 2, as amended in HD 3, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 794-06 on H.B. No. 3139, 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. 3139, HD 3, were made available to the members of the House.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 795-06) recommending that H.B. No. 3158, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, consideration of Stand. Com. Rep. No. 795-06 on H.B. No. 3158, 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. 3158, HD 2, were made available to the members of the House.

The Chair then addressed Representative Carroll, stating:

"Representative Carroll, what did I just state?"

Representative Carroll responded, stating:

"Mr. Speaker, you just said we were going to go over page 8 to page 25, and vote on these measures."

The Chair then stated:

"48-hour notice. Thank you."

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 796-06) recommending that H.B. No. 2213, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee

was adopted and H.B. No. 2213, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR SUBSTANCE ABUSE ASSESSMENTS FOR UNINSURED STUDENTS," passed Third Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 797-06) recommending that H.B. No. 2503, HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2503, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DERELICT VEHICLE," passed Third Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 798-06) recommending that H.B. No. 2974, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2974, pass Third Reading, seconded by Representative B. Oshiro.

Representative Herkes rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Herkes' written remarks are as follows:

"Mr. Speaker, I rise in support of HB 2974. This bill extends the sunset date for one year on the measure designed to acquire the historic lands of South Kona. Mr. Speaker, in the original bill there was funding to do an appraisal of the 11,000 acres for the purpose of seeking funds to acquire this very important parcel of land for preservation. To date, the Governor has not released these monies. Recently I met with her Chief of Staff, and believe that an RFP will be issued by DLNR for the purpose performing the audit. I urge the Members to support this bill. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2974, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION," passed Third Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 799-06) recommending that H.B. No. 3167, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3167, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Cabanilla rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in strong support of this measure. We on the Leeward Coast deserve a 4-year university. We have been waiting for it for a long time. This campus will not only provide parity with the rest of the island, but it serves as a social and economic stimulant in our neighborhood. I urge you to help me pass this measure."

Representative Moses rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in support. I want to say again, as my colleague just said. This is long overdue, much needed. It will serve as a center of the new city of Kapolei, and it will be a gleaming jewel out there on the Ewa Plains. It's something we desperately need and it will I think, be a benefit for the entire State because an entire

portion of the population just doesn't go to Manoa. It's too far. I think you're going to see a lot more students going to college now and that will help the entire State, the University System, and of course, us in the long run. Thank you very much."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3167, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE UNIVERSITY OF HAWAII WEST OAHU," passed Third Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 800-06) recommending that H.B. No. 1852, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1852, pass Third Reading, seconded by Representative B. Oshiro.

Representative Kahikina rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Kahikina's written remarks are as follows:

"Mr. Speaker, I rise in support of this measure, Making an Appropriation for the Condemnation of Land in Nanakuli, Oahu, for a Public Housing Project. The purpose of this measure is to:

1. Direct the Hawaii public housing administration to commence eminent domain proceedings, pursuant to section 201G-16, for the condemnation of the Nanakuli B site for a public housing project.
2. Ensure that the Leeward Coast is not further taken advantage of by being the home site of yet another landfill. Our community should not have to pay the price for the many years the City has failed to invest the necessary time, effort and planning into finding alternative technologies. The placement of another landfill in our community will have a compounded detrimental affect on the already compromised health and safety of our school children and elderly who are the most vulnerable."

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I have a few concerns. I'm in support of housing that we need on the Leeward Coast and this will serve that purpose. My only concern is that this particular site, as I understand it was a site that was picked as the Nanakuli B Landfill site. In other words when they looked at all the sites that could be used for landfills, this was one of the sites they picked meaning it's probably not a very good site. I understand it's prone to landslides and I would have concern for any people placed in housing on that site. Thank you."

Representative Stonebraker rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I'm rising in opposition to this and if I may briefly state my reasons. It's not because I don't have a concern for the need for housing, but in principle and philosophy regarding the government's role in private property and land rights, I'm opposed to eminent domain. The acquisition of lands for even public good. I think it's a dangerous slide that we're making.

"We had some Supreme Court cases in the past year or two that are going in that direction, and the reason for that is just where I come from, as far as my world view on the role of government in society. I've done a lot of reading on the founding of our nation and so forth and so on, and we read often times in the Declaration of Independence that governments are created to protect the rights of

individuals which are endowed by their creator. We're all familiar with the words, 'life, liberty, and the pursuit of happiness.'

"Mr. Speaker, but I didn't realize this before. I did some in-depth study that even the phrase, 'pursuit of happiness,' is synonymous and interchangeable in the founding era of our country, with private property rights. The ownership of land by individuals, private citizens is so fundamental and is so ingrained in our system of government that as we begin to erode at that. If we begin to pick away at that, and we allow that to corrode as far as one of the shining and upstanding rights that we revere and hold dear, I believe that it undermines the very principles on which our government stands. And so anything that has to do with the government interfering with private property rights is a dangerous, dangerous precedent to set. Thank you."

Representative B. Oshiro rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in support. I actually will disagree with the prior speaker. I think actually the 5th Amendment says that the government can take whenever it will provide just compensation, and I believe that's the primary issue. If the government is taking without compensating the private landowner, then it is an issue for the courts to decide. However if the government is willing to pay, then eminent domain is within it's police powers in order to make sure the public health, safety, and welfare of the entire general public is taken care of. Thank you."

Representative Cabanilla rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in strong support of this measure and I would like to carry on the conversation about 'life, liberty, justice, and the pursuit of happiness.' Yes that area was a dumpsite, and I think it's about time that we change the scenery of the Leeward coast.

"We all can use a dumpsite, but I think for years and years it's been there. It's about time that we close the dumpsite and build a shelter and residence for our people. We all should take the responsibility and be just amongst ourselves. We should take responsibility of this dump and it should be moved somewhere else. We on the Leeward side have taken it for a long time, and it is just for us to have it moved somewhere else I think, for the life, liberty, justice and pursuit of happiness that our nation has. Thank you, Mr. Speaker."

Representative Kahikina rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in strong support. I just wanted to respond to some of the remarks. This land is not a landfill, but it is targeted and planned to be a landfill. And I appreciate the comments on the floor on the philosophy of eminent domain, and I hold that to be really true. If anyone has experienced eminent domain, it's the Native Hawaiians. And then the speakers on the Floor would agree that perhaps we need to address that eminent domain issue. But the real issue this is addressing is ecological injustice.

"All the dumps are in the Waianae, Nanakuli area. All of the dumps. We take all of the rubbish from Oahu and it's about time we share that burden with the rest of the islands. Not to mention we get all the homeless in our area. I think it's a very compassionate effort to try to build houses for the people that are really in need, instead of making excuses why we cannot build.

"So this bill addresses all of those needs and I appreciate the discussion about eminent domain, and people should support Native Hawaiian getting back their native land.

Representative Shimabukuro rose to speak in support of the measure, stating:

"Mr. Speaker, in strong support with the words of the Chair of the Housing Committee as my own," and the Chair "so ordered. (By reference only.)"

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I'm in support with some pretty serious reservations. From some of the testimony that I read there do seem to be some fairly large problems with this site. I think one of the reasons that it was considered a dumpsite was because it had some high, steep areas to it that you could fill up to but those steep areas create a real danger with boulders rolling down in the future.

"I think there is no question we need housing, but we also have a responsibility to look for a site that's appropriate and healthy and safe. So I think we need to think about that. Thank you."

Representative Pine rose to speak in opposition to the measure, stating:

"Yes, Mr. Speaker, in opposition. I do have the highest respect for the Housing Committee Chair, and I do believe that in the concept and intent of this bill, but I am in definite opposition of eminent domain. In the cases that I've read in situations that are happening already on the mainland and to the Hawaiian people, I just believe that it's bad for society to take someone's land.

"The Majority Floor Leader talked about just compensation and that is a reason why I'm voting against this measure, because nowhere in the bill does it justly give the right compensation to the owner of the land. I do support the concept of the bill."

Representative Carroll rose in support of the measure, stating:

"Mr. Speaker, in strong support, and I would like the words of the Chair of Housing to be my own," and the Chair "so ordered." (By reference only.)

Representative Ching rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I did want to rise with some reservations on this bill in light of recent flooding and the announcement of what has happened on our island, concern for the safety of all of our people would be one of the reasons that I have reservations."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1852, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE CONDEMNATION OF LAND IN NAKULI, OAHU, FOR A PUBLIC HOUSING PROJECT," passed Third Reading by a vote of 45 ayes to 2 noes, with Representatives Pine and Stonebraker voting no, and with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 801-06) recommending that H.B. No. 2239, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2239, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Kahikina rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Kahikina's written remarks are as follows:

"Mr. Speaker, I rise in support of this measure, Relating to Land Acquisition.

"The purpose of this measure is to:

1. Appropriate funds to acquire the property currently known as Kukui Gardens from Kukui Gardens Corp;
2. Authorize eminent domain proceedings should the acquisition be unsuccessful; and
3. Allow the Hawaii Public Housing Administration to acquire the Kukui Gardens property, and partner with private developers for acquisition of the property; provided that one hundred percent of the housing units on the property shall be retained in perpetuity as affordable housing for households at or below one hundred twenty percent of the median family income as determined by the United States Department of Housing and Urban Development.

"I do not choose to use the legislative power of eminent domain lightly. However, we are in a housing crisis of epic proportion. We presently have over 20,000 people in need of affordable housing. This is with Kukui Gardens in the affordable housing inventory. However, if we were to lose Kukui Gardens and it's over 800 units, the ramifications would be far reaching. At a building rate of 2 to 3 years per 250 units, it would take over 10 years to replace the affordable units lost at Kukui Gardens. This is not taking into account the travesty of displacing over 800 families who are not able to afford market rate housing. We must do all that we can do preserve our present inventory in addition to building additional housing. We cannot allow our present affordable housing inventory to be depleted."

Representative Pine rose to speak in opposition to the measure, stating:

"Yes, just in opposition for some other concerns. I would like to see in this language just compensation to buy this land, instead of taking away with eminent domain. Thank you."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

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

"Mr. Speaker, just some brief comments in support. I think the Legislature and our leadership is showing foresight in looking at this coming crisis. I just hope we don't wait until the last minute until we have a crisis where we have to look for housing for people.

"There are over 3000 residents in Kukui Gardens. I think that will be a real tragedy. I just hope we can use our foresight to start planning, even on an incremental basis, to acquire this really valuable property. And just keep in mind that many of these residents really don't have much alternative when it comes affordable rental homes. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2239, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND ACQUISITION," passed Third Reading by a vote of 45 ayes to 2 noes, with Representatives Pine and Stonebraker voting no, and with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 802-06) recommending that H.B. No. 2346, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2346, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR

DEPARTMENT OF EDUCATION ELECTRICITY," passed Third Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 803-06) recommending that H.B. No. 2619, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2619, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY," passed Third Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 804-06) recommending that H.B. No. 2763, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2763, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Tsuji rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in support on HB 2763. Amidst the humor and laughter of our group, I strongly encourage, Mr. Speaker ... May I continued?"

The Chair then stated:

"Okay, that's enough. Let's have some order here. Yes, please proceed. Someone's making that coqui frog noise that's why I just said, 'Let's have some order here,' and let Representative Tsuji proceed."

Representative Tsuji continued, stating:

"Thank you, Mr. Speaker. The coqui frog infestation has now reached epidemic proportions on the Big Island, with more than 150 firmly established sites. A simple lack of dedicated funding, personnel, and really maybe political support are to blame for the coqui's exploding population growth in the County of Hawaii, as well as for its subsequent proliferation throughout every county in the State.

"These frogs have borne the brunt of many jokes, Mr. Speaker, but the situation is no laughing matter. In reality, the coqui poses a significant threat to Hawaii's economy and natural environment, not to mention the health and well-being of its people. In spite of these circumstances, however, I remain steadfast in my conviction that with the right amount of support, the coqui can be controlled, if not eradicated entirely. This bill seeks to appropriate the much-needed support to Big Island residents and also our State of Hawaii for precisely such eradication efforts.

"The fact is, we are indeed facing a state of emergency, made worse by inadequate support. To give you an example of just how important this measure is, consider the State's multi-million dollar floriculture industry situated largely in East Hawaii, within the context of the Island's dynamic agriculture industry as a whole. A few million dollars worth of eradication funding appropriated by this bill pales in comparison to the sheer economic productivity that proper control of coqui would help safeguard, and that's not including tourism.

"The time to act is now. Living in the most geographically isolated landmass in the world carries with that distinction an obligation to preserve our unique island lifestyle and the lush surrounding ecosystem that has evolved here over centuries. Let's not allow coqui to besiege the rest of our State as it with our County of Hawaii,

nor threaten to have our quality of life held hostage. Thank you, Mr. Speaker."

Representative Souki rose, stating:

"Yes, Mr. Speaker, point of information. I have never heard a coqui frog and was wondering if the Representative from Hilo could mimic the coqui frog for all of us to understand the sound of a coqui frog."

The Chair then stated:

"The Chair will call a recess for this request."

At 1:57 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 1:58 o'clock p.m.

Representative Chong rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I rise in strong support. You know, we kind of make some jokes about this issue, but for me I think this is a serious issue. It's not just a Big Island issue. It's a Statewide issue.

"If I may share with my colleagues, it is on here on Oahu. Recently when going to my mom's house to help her tend her house, we were pulling out plants out of a portion of the house around the rock garden area, and there was a coqui frog. We know it's in Waimanalo. We know it's in I think, Wailua, and it's clearly making it's way to Kailua. So I stand in strong support and ask that the words from the Representative from Hilo be also added as my own," and the Chair "so ordered. (By reference only.)

Representative Marcus Oshiro rose to speak in support of the measure, stating:

"Yes Mr. Speaker, I rise in strong support. My community also has a small, but growing infestation of the coqui frog. I'd like the record to reflect the remarks of the Vice Chair of Agriculture as my own.

"And finally, Mr. Speaker, I think this will be one of the more important measures we pass out this year, especially in light of the fact that I learned at one time the mosquito was not apart of our natural ecology. It too was an imported pest that came in either through the ballast of ships or in the waterholds of ships. I can only imagine what Hawaii would be without the mosquito. So I really commend the Vice Chair of Agriculture for taking such an aggressive stand against coqui. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2763, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO ERADICATE AND CONTROL THE COQUI FROG," passed Third Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 805-06) recommending that H.B. No. 2842, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2842, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST IN CONSTRUCTING AND MAKING IMPROVEMENTS TO THE AGRICULTURAL IRRIGATION SYSTEMS ON THE NORTH SHORE OF THE ISLAND OF OAHU," passed Third Reading by a vote of 47 ayes,

with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 806-06) recommending that H.B. No. 2934, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2934, entitled: "A BILL FOR AN ACT RELATING TO HOMELESS VETERANS," passed Third Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 807-06) recommending that H.B. No. 2986, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2986, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Tanaka rose to speak in support of the measure, stating:

"Mr. Speaker, on 807. Relating to Housing, the Puunene Airport land affordable housing study. I'm rising in strong support. The housing crisis in Hawaii saddens me. Increasing rents and rent prices have forced many locals to live in parks, beaches, and sidewalks. These families need our help and this affordable housing study is a positive step toward eliminating homelessness. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2986, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Third Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 808-06) recommending that H.B. No. 3029, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3029, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 809-06) recommending that H.B. No. 3105, HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3105, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I rise in opposition. Mr. Speaker, the purpose of this bill is to, 'facilitate the effective treatment of mental health services to consumers by prohibiting the Department of Human Services from restricting the physician's ability to treat a fee-for-service patient with psychotropic medications.' It goes on to say, 'that are approved by the FDA and considered appropriate treatment for the physician's practice and professional judgment.'"

"The reason why I'm voting no is more for the principle of the matter. It seems like what you're saying this is because you're either saying unhindered access to psychotropic drugs if they're part of the

fee-for-service program, but in regards to the QUEST programs we've exempted them from that same requirement.

"This came up last year and I was hoping that maybe you could find it. If you're going to go with either unhindered access, or if you're going to go with some kind of PA or formulary, that you just be consistent between the two.

"It seems as if you're poor, but you're under a health plan then you don't get access to whatever drugs you need to get treated. But if you're poor, but you're not within a health plan, then you have access to whatever medications you need to be treated. So I guess on the principle of this, and just trying to make sure that the poor in the Medicaid plan will get access to psychotropic drugs one way or the other and are treated fairly. So I will be voting no. Thank you."

Representative Ching rose in support of the measure with reservations, and asked that the remarks of Representative Finnegan be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Stevens rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3105, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PSYCHOTROPIC MEDICATION," passed Third Reading by a vote of 43 ayes to 4 noes, with Representatives Finnegan, Moses, Pine and Thielen voting no, and with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 810-06) recommending that H.B. No. 2641, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2641, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I rise with a very strong no. I think this bill may be incorrectly titled because it doesn't have anything to do with public works. What it has to do with is expanding what is private works into 'public works."

"Let's take a look at what could happen. You have a private developer that builds a building, and part of it is going to be leased out or part of it is being built for another public entity. The project becomes an indirect public work.

"Let's take a look at the impact it will have on building drug treatment facilities, residential projects, and I even have some questions on what kind of impact this is going to have on relationships between public-private partnerships at the county level. I think we've seen a lot of this on some of the outer islands when private entities will use a partnership with the counties to build roads and other infrastructures.

"So I think we really, really need to be very careful before we go down this trail of indirect government or indirect funding because it is very dangerous and it's really going to expand the cost of doing any type of development and improvement in the State of Hawaii. Thank you."

Representative Thielen rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I'm also rising in opposition to this measure. Thank you. Mr. Speaker this measure, as I read, it will

affect projects such as Hanahauoli School and other schools that are trying to improve their facilities.

"As I understand it, it clarifies that an indirect public works project means any project that will have received a government benefit. Mr. Speaker, I don't know if you're going to remodel your home, but in the event you do, the indirect public works could be interpreted to include unintended results such as your residential home remodeling where you as a homeowner would receive a government benefit of real estate tax exemption or deduction.

"I think that we really should not proceed with this bill. The main focus of this Legislature should be to find a way to provide housing for the serious needs that we have in our State. 30,000 units are needed right away, of affordable housing. This means that any measure such as that is a hindrance, and that's where I think it's important that we all look at through the microscope again to say, what is going to hinder our efforts to create affordable housing for people? And Mr. Speaker, if this bill goes through, don't remodel."

Representative Marumoto rose to speak in opposition to the measure, stating:

"In opposition, Mr. Speaker. Often times a builder would put up a building, office building or whatever, warehouse and not know who the tenants would be. It's advertised on the open market and very often the State or a county will be a client and want to lease maybe one quarter of the property, and the developer will not know in advance who the tenants might be, so I think this is a ill-advised.

"Also when you have to file documents with the Department of Accounting and General Services, this is something new to them and I don't know if they have the staff to handle these types of documents. I think this bill is very ill-advised. I would ask you to consider very strongly to vote against this measure. Thank you."

Representative Caldwell rose to speak in support of the measure, stating:

"Just a brief comment in support, Mr. Speaker. On the issue of remodeling your home, I did want to clarify that. This involves projects where 25% of the project is going to be leased out to some government entity. So if you in fact you are remodeling your home and you intend to lease out part of it, 25% or more, then it would apply. But I would think that most people in Hawaii when they are remodeling their home, are doing it for private purposes and not to lease out to government.

"I didn't want anyone get concern that somehow it applied to that. I know that was raised last year. The bill makes it very clear it does not apply to that kind of project. Thank you."

Representative Moses rose to speak in opposition to the measure, stating:

"In opposition, Mr. Speaker. I don't know if it's only going to cover people that are leasing out. I'm concerned about things like where we have a tremendous amount of impact fees from developers to help build a North South Road, so it means millions and millions of dollars.

"Also Campbell Estate is giving, I think, \$31 million to help build the Kapolei Interchange. It sounds to me, according to this bill, that's going to you know for the public benefit. And what about the Kapolei Judiciary Complex where Campbell Estate is giving all the land? And it goes on and on and on. I don't know where it's going to stop. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2641, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC WORK PROJECTS," passed Third Reading by a vote of 37 ayes to 10 noes, with Representatives Ching, Finnegan, Harbin, Marumoto, Meyer,

Moses, Pine, Stevens, Stonebraker and Thielen voting no, and with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 811-06) recommending that H.B. No. 2691, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2691, pass Third Reading, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I will be voting a very strong no on this bill. What this bill intends to do is to take some self-anointed self-appointed labor management committees of various labor organizations, who've already appointed themselves 'watch dogs' by pouring over the papers, the documents of certified payrolls of employers, usually non-signatory employers.

"What they do is that they know if you look hard enough there could be a clerical, a very small mistake in the transposition of numbers, as we all know happens in accounting. Rather than allow the employee to go forward and work with their employer, what they do is they get the employees to file complaints, and then you get a lot of these little, small, \$25, \$10, \$100 mistakes which the employers make the employees whole.

"Sometimes there comes along a fine by the Department of Labor if they find that it was something that the employers should have been more cautious about, but what we're trying to do now is we're trying to take these self-anointed, self-appointed 'watch dogs' that have the money and the resources to just dig around and pour into certified payrolls, and now give them statutory power to go out there and file civil actions against employers, which I'm again are going to assume are non-signatory employers.

"This is a major step from allowing our Department of Labor to enforce the labor laws by now, through statute, creating a private enforcer. This is not where I think we want to head. It belongs in the hands of our departments under our statute and I encourage everyone to understand what is really going on here. Thank you."

Representative Meyer rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I'm rising in strong opposition to this measure. I'd like the words of the previous speaker inserted in the Journal as if they were my own. I just would like to add that this presents a potential opportunity of abuse because the bill gives authority to a federal labor management committee. The power to bring injunctive and other relief against any employer who fails to pay prevailing wages regardless of whether there is a collective bargaining agreement in place."

Representative Moses rose to speak in opposition to the measure, stating:

"In opposition, Mr. Speaker. I believe the powers given in the bill are also unnecessary because the current law already allows for those directly involved in the dispute, the laborers who have not been paid prevailing wages or overtime compensation, to bring court action. You don't need an outside agency to do that. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2691, entitled: "A BILL FOR AN ACT RELATING TO PREVAILING WAGES," passed Third Reading by a vote of 37 ayes to 10 noes, with Representatives Ching, Finnegan, Harbin, Marumoto, Meyer, Moses, Pine, Stevens, Stonebraker and Thielen voting no, and with

Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 812-06) recommending that H.B. No. 2400, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2400, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR ACQUISITION OF WAIMEA VALLEY, OAHU," passed Third Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

At 2:12 o'clock p.m., Representative B. Oshiro requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 2:12 o'clock p.m.

Representative Caldwell, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 813-06) recommending that H.B. No. 173, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 173, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, in opposition. I made quite a speech on this on Second Reading. I won't go into all of that again. I just want to remind the Members that whoever the Governor may be, not this Governor because I know this doesn't cover this Governor or the appointment of the current person holding the office. But in the future any Governor should have the ability to pick the best qualified person to lead our troops. Our brothers and sisters, our children if they may go into combat or national disaster or whatever it is, we should have the best person possible leading them.

"And I want to point out that this measure really arose from a group of people that maybe thought they were the best qualified and were overlooked for some reason. It's a protectionist measure. They only want to have members of their club be considered for the position and it should never be that way.

"If you're familiar with the regular military, it's up or out. You don't get picked just because you happen to be a member of a certain group.

"And the last point is, I think all of the members here are very familiar with General Shinseki and know his qualifications. I don't think anyone would ever question his ability to be our Adjutant General, but under this measure General Shinseki is not qualified to be the Adjutant General."

Representative Cabanilla rose to speak in opposition to the measure, stating:

"Mr. Speaker, I rise in opposition to this matter. I just would like to say that the selection of a general officer, of all of the services, of any of the services we have, it's always been on a best-qualified basis. This bill adds a sub-class to the system that's going on, and just let me elaborate the difference within the Army, the regular Army and the Army Reserve and the Army National Guard, there is none. They go to the same school. Their mission is the same, and their training is the same.

"Putting a five-year requirement for any of these other officers to compete for the National Guard is not fair because they all go into the service to be General someday, and they've always being taught

on the best qualified basis. The only difference I see between the two classes is that the Governor has a role to play. But whether it be the regular Army or the Army Reserve, when given a mission, they all can deliver.

"So I say that this is a 'protect your own turf' legislation and we should stay away from the regulations that are set forth by the Department of Defense, and let our military determine who is the best qualified. Thank you, Mr. Speaker."

Representative Caldwell rose to speak in support of the measure, stating:

"Mr. Speaker, in strong support and I want to try to clarify some of the misunderstanding here. Anyone who looks back at the founding days of our country knows the great struggle that took place at that time with then General Washington and Alexander Hamilton, one of his chief aides, where they wanted to create a national standing army. At that point, we were at 13 colonies. We believe strongly in individual rights for each colony, and they were very suspicious about putting the power of a standing military in any form of federal government, so each colony and then later each state, came forth with their own state militia.

"It's a proud part of our history, and if anyone visits Lexington or Massachusetts you'll see a statue to one of the first Minutemen, John Parker, and it defines what the National Guard is, Mr. Speaker. It comes from that history, from that base. It's a unique form of standing army. It's not like the federal Army or Air Force or Navy or Marines. It has a unique history. As was pointed out, in each state the Governor is in charge. It's a state militia that has been federalized. They have a unique understanding of their role. It's very different than the other branches of government. The National Guard works closely with various state agencies and is very different from the rest of the federal military.

"Mr. Speaker, we found out in testimony what I found interesting. 44 states across our country right now have requirements of 4 to 7 years service in the National Guard before you can command the National Guard. 44 states, Alaska would be the 45th state to pass a bill in a Republican Legislature before a Republican Governor. We've been told the Republican Governor will sign that bill. The 5 other states of which we are one, the others are all southern states. Alabama, South Carolina. For me, it's not that I don't consider that a proud group to be with, and in some of those states, Mr. Speaker, they have an elected person to head up the National Guard.

"So I think there's strong public policy. If you look at the members of the National Guard they served so well in Iraq, Afghanistan, Desert Storm, and they have put in the time in their branch. And think about for any of one of us, Mr. Speaker, if we served with an organization and we saw someone from outside of that organization come in to head us up, we would ask, why is that? Why do they need someone from outside of the National Guard to command one of us when there are so many qualified people within the guard to step forward?

"Right now, if you're serving in the National Guard you can't move over and head up the Army Reserve. You have to go through a procedure and put in your time and go through the paperwork. It's not a simple thing. And even in the standing Army you can ask, why couldn't someone from the Air Force go and head up a division in the Navy? Or someone from the Marines go and head up a division in the Army. It doesn't work that way. Each branch has its own pecking order, and we're setting a minimum of 5 years.

"I don't know what the big issue here is. I think it's something that we should do to support our National Guard. To support the people that who are out there helping not only our State, and now with the floods they'll be out on the North Shore, but in all parts of the world. Thank you very much, Mr. Speaker."

At 2:20 o'clock p.m., Representative Thielen requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 2:23 o'clock p.m.

Representative Stevens rose to speak in opposition to the measure, stating:

"Mr. Speaker, I rise in opposition for a couple of reasons. This limits the pool of qualified officers to head our State's National Guard, and I'd just like to say that when I served in the Coast Guard, we were considered US Customs officers so we had to learn all of their procedures, their policies. So going back and forth from one service to another is something that is actually done quite often.

"A general officer should really be able to learn the policies and procedures of another service. Certainly someone as qualified as people to be consider for heading up our National Guard. That's not unusual. I do believe an officer can transfer from service to service and can head different divisions, and it happens all the time. So I really do believe that we should not limit the pool of officers we have to head our National Guard.

"One other item that I'd just like to note is that on the mainland, it's much easier to serve in the National Guard because they can transfer easily, travel from guard service from state to state. For us, our guard people, it's hard to, just because of the distance, to serve and travel back and forth from California or to the mainland to perform in their service.

"So I think we should be cautious in passing along this legislation because we're definitely going to limit the people we can choose from to serve in this position. Thank you very much."

Representative Moses rose to respond, stating:

"Thank you, Mr. Speaker, remaining in opposition. My colleague from Manoa made some very good points in the favor of opposition to this measure. He talked about the founding fathers wanted to make this a separate militia in the states and not under the national government. Well that's a very good reason for the Governor to be in charge of her appointments and picking the best person.

"I wanted to point out that as he is from Manoa, he would understand that we do go outside very often. In fact, look at all the UH Presidents. We've gone out all the time to find the best-qualified person. We didn't pick from within the ranks of the UH faculty.

"As far officers serving under other officers. I want to point out that there's one senior officer. He used to be called CINPAC, but they changed the name. He's now the Pacific Commander. He commands all the troops in about two-thirds of the world of all services. He happens to be Navy, but the last time we picked a Pacific Commander, we almost picked an Air Force General. So it could have been either one, and they command all the troops in the Pacific whether they're Army, Navy, Air Force, Marine Corp. Whatever they are.

"It happens to be a Marine Corp General that is the Chairman of the Joint Chiefs of Staff right now. He commands all the forces in the United States. A Marine Corp General.

"Special Operations Command is commanded by a Marine Corp General. He commands all the special operation forces in the United States including the Army, the Seals, everybody. Airborne, everybody.

"I'm a Marine Corp officer and I was commanded by Army and Navy at different times in my career. And I also have Army and Navy and other Forces under my command who served under me. So this malarkey about you have to come from within one group to

command that group is absolutely not true in this nation. Thank you."

Representative Ching rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I rise in opposition and just wanted to make the note that those who have spoken in opposition of this measure appear to be what I would refer to as front-linesman – those who have actually served in the military. I believe in people who have actually served in the military to speak upon these matters, and I would like to ask that the words of the Representative of Ewa and the words of the Representative from Waikiki be entered as my own," and the Chair "so ordered." (By reference only.)

Representative Takai rose to disclose a potential conflict of interest, stating:

"Thank you, Mr. Speaker, I rise in support of this measure. Thank you. First, Mr. Speaker, I like to request the ruling of a potential conflict. The Representative from the Windward side, the Assistant Minority Floor Leader believes I have the chance to become TAG of this State one day, so I need your ruling, Mr. Speaker," and the Chair ruled "no conflict."

Representative Takai continued in support of the measure, stating:

"Thank you, Mr. Speaker. I appreciate her support and her well wishes on that endeavor, however this bill is not about me. This bill is in fact about our State militia. The National Guard of Hawaii. I'd like to take some time, Mr. Speaker, to read a speech made by Representative Bob Lynn who is the Chairman of the House Military and Veteran Affairs for the State of Alaska. He's a Republican and the Governor of that State is currently a Republican, and he said:

Currently the Governor of Alaska is free to appoint any citizen of Alaska without other qualifications to be Adjutant General. This bill, and this bill would be House Bill 354, remedies that situation by recognizing additional guidelines for appointees such as serving at least five years in the Alaska National Guard, Alaska Air Guard.

The current requirements and qualifications for appointment must be tailored to the unique requirements of Alaska's Adjutant General's mission without political consideration. The nature of the job requires substantial experience and understanding of military operations in general, and the Alaska National Guard, Alaska Air Guard in particular. Other civilian business and managerial experience is valuable, but in itself not comparable to high-level military operations.

Business people cannot operate their businesses like the military. Likewise the military cannot conduct operations like a business. In addition, operating conditions in Alaska are unlike any other jurisdiction. As a result, extensive Guard experience in Alaska is critical. This Alaska experience, as well as qualifications that operation or strategic levels of military leadership are essential to the interest of Alaska. It is also important to the interaction of Alaska with national homeland security, national disaster agencies, and national war efforts.

"Mr. Speaker, this gentleman, Representative Bob Lynn, is again like I said, a Republican. And the Governor of the State of Alaska is Republican. In fact, Mr. Speaker, if Alaska becomes a state to adopt this qualification, it will become 1 of 45 other states in the nation to require it's Adjutant General to have at least five years of experience in their National Guard. I think the Chairman of the Labor Committee made very good points as to why this is important, but I'd like to also mention a couple more.

"In response to the Representative from Kapolei. He talked about the PACOM Commander. Pacific Command Commander, currently Admiral Fallon. Admiral Fallon a Navy Officer who commands the joint forces of the entire Pacific. There is no analogy between that

relationship and the relationship of the National Guard, because Mr. Speaker, if someone comes in from active duty or the Reserves to serve as the Adjutant General of the State, the active duty or the Reserves are not under the command of the Adjutant General. His analogy is more in line with what this bill does. In fact his analogy suggests that someone that commands the National Guard of our State should be from within. Admiral Fallon is from within the Pacific Command.

"In fact he mention also the Marine Corp General now serving as the 4-Star Joint Chief of Staff. Even that particular General commands under him a unit, a branch of service from which he grew up into. So I think that his analogy in fact supports this bill.

"The last thing I'd like to say, Mr. Speaker, is this. I think General Lee, our current Adjutant General, is doing a fine job. In fact, General Lee is a constituent of mine and this is a very difficult bill for me. I told the Assistant Minority Floor Leader that I was not planning on speaking, but since she thinks that I'm going to be the Adjutant General one day and I had to ask for your ruling of a potential conflict, I felt I needed to say a little bit.

"This bill is not about General Lee. General Lee has done a fine job for our State and I hope General Lee continues in his role as the Adjutant General because we all need his level of expertise, but regardless of General Lee, if you take a look at the testimony from all the officers, mainly retired National Guardsmen. They have serious concerns about what happened in terms of the appointment of General Lee, and there are concerns of other appointments in the future regardless of whether the Governor is the current Governor or the Governor becomes another Democrat.

"Again, Mr. Speaker, 44 other states and possibly Alaska already do this. Thank you."

Representative Thielen rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I'm going to be voting against the bill. I would just like to respond. As an attorney, I learned that there are times when it's very important to disclose a potential conflict of interest. When I took a look at the bill and realized it was introduced by the Vice Speaker, and since he was a member of the Hawaii National Guard, he very likely could be part of the pool that would be considered to be that appointed position, and I felt that it was appropriate and ethical and right for him to at least ask you, Mr. Speaker, on the ruling of a potential conflict of interest.

"I'm not promoting his candidacy. I just want to keep the record, ethical and straight so people are in line or could be in line for something, where a bill might directly impact them stand up and ask for your ruling. Thank you."

The Chair then stated:

"Yes the Chair has ruled once more that there is no conflict. It is a class of Guards."

Representative Ito rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in strong support. I would like permission to enter into the Journal my comments here, and also I want the words of the Vice Speaker and the Chairman of the Labor Committee as my own."

"I just want to say a few words about the Representative of Kapolei. You know, if I were General Shinseki and I had 4 stars, I would never come back to 2 stars. And secondly, if anytime they want me as a TAG, I'm available. But actually, I want to be a Sergeant Major, Command Sergeant Major of the National Guard. Thank you."

Representative Ito's written remarks are as follows:

"Mr. Speaker, I rise in support of Stand. Com. No. 813-06, HB 173, HD 1. Mr. Speaker, the purpose of HB 173, HD 1, is to require that any person who is newly appointed to the position of Adjutant General must possess at least five years of service as an active commissioned officer in the Hawaii National Guard, whether Army, Air, or both. This five-year experience requirement was placed on the Adjutant Generals position because of the unique role the National Guard plays. Under questioning at the Labor Committee hearing, Major General Lee confirmed the fact that the National Guard has a unique role. Additionally, because of the importance of the military component of the Adjutant General's position, nowhere in HB No. 173, HD 1, has the military experience requirement been removed.

"Mr. Speaker, following are only two samples of job requirements appearing in the want ad in today's *Honolulu Advertiser*:

An applicant for a Controller's position must have a BA in Accounting, Finance or Business Administration with a minimum of 5 years experience and 3 years supervisory experience; and must possess excellent communication and computer skills.

To apply for a Chief Laboratory Engineer's position, the applicant must be a Licensed Professional Engineer (Civil or Chemical Branch) and possess a 4 year BSCE degree in either civil or chemical engineering. The applicant must also have a minimum of 10 years engineering experience associated with construction activities in the inspection and testing of soils and rock, concrete, and asphaltic concrete in accordance with ASTM standards and a minimum 5 years experience managing laboratory operations.

"Mr. Speaker, the 5-year National Guard experience that has been placed on the Adjutant General's position is no different than any of the requirements for the respective jobs mentioned above.

"Mr. Speaker, I urge all my colleagues to pass HB 173, HD 1, out."

Representative Cabanilla rose to respond, stating:

"Mr. Speaker, I rise to say that I am not asking for a conflict mainly because yes, I am an officer in the Army Reserves, but I also spent some time in the National Guard. Almost 5 years. So I'm not asking for a conflict because I could be included with this present ruling, but I honestly say that we should not circumvent the current process. To rise for consideration to become a general officer also states that you are multifaceted, that you have learned the other services, and you have attended the Army War College which teaches you how to do, and how to run the National Guard as well."

Representative Meyer rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I'm rising in opposition to the bill. I don't think it's appropriate to talk about being a Republican and Democrat. I don't think this is a political bill. At least I hope it's not. The law that's on the books now that allows the Governor of the State of Hawaii to appoint somebody to the Adjutant General's position has been on the books for a long time. When there were Democrat Governors, some did pick from the National Guard and some did not. So we had it both ways and we've been served well by those choices, by those Executives who have made the choices.

"I think it is an important fact that we should not limit the pool. As a State we are fairly small state with our population of 1.2 million. We only have 500 something registered voters as adult. We don't have a large population. Nothing like California or some of these other states that have made this choice. I think we would shortchange ourselves by limiting the people that the Governor could look at. Thank you, Mr. Speaker."

Representative Souki rose to speak in support of the measure with reservations, stating:

"Yes, Mr. Speaker, in due respect to the Chairman of Public Safety and the Vice Speaker who was so eloquent in expressing his forte as far as the National Guard, I wish to speak with some reservations on this measure. The reservation I have as this bill moves on, I would hope the author and the Chairman, as this goes into Conference, to look at where they could provide some flexibility, as we move on. I think that we as a small State need to look beyond our own personal interest. Thank you very much."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 173, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE NATIONAL GUARD," passed Third Reading by a vote of 36 ayes to 11 noes, with Representatives Cabanilla, Ching, Finnegan, Halford, Marumoto, Meyer, Moses, Pine, Stevens, Stonebraker and Thielen voting no, and with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

At 2:42 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

HB No. 2213, HD 1	HB No. 2842, HD 1
HB No. 2503, HD 2	HB No. 2934
HB No. 2974	HB No. 2986, HD 1
HB No. 3167, HD 1	HB No. 3029, HD 1
HB No. 1852	HB No. 3105, HD 2
HB No. 2239, HD 1	HB No. 2641, HD 1
HB No. 2346	HB No. 2691
HB No. 2619	HB No. 2400
HB No. 2763, HD 1	HB No. 173, HD 1

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 814-06) recommending that H.B. No. 1984, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1984, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONVICTION DATA," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 815-06) recommending that H.B. No. 2282, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2282, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHAPTER 846E," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 816-06) recommending that H.B. No. 3014, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3014, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BAIL," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 817-06) recommending that H.B. No. 3016, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3016, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNSERVED ARREST WARRANTS," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 818-06) recommending that H.B. No. 2412, HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2412, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO THE INTERNAL REVENUE CODE," passed Second Reading and was placed on the calendar for Third Reading with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 819-06) recommending that H.B. No. 1026, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1026, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Moses rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Meyer rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I'm rising in opposition to Stand. Com. Report 819, Relating to Taxation. This bill as it was originally drafted would double the ... Let's see what they were using. This is for the Transient Accommodation Tax on timeshare units. Right now I think they use the ... I don't have it in front of me, but this was going to double the fair market rental value on Transient Accommodations Taxes by using twice the amount of the gross daily maintenance fees for timeshare units. I don't think that we should be increasing the cost to our visitor industry.

"In Committee there was only one person that testified in favor and that was the ILWU. The Department of Taxation, the Hawaii Hotel and Lodging Association, the Maui Sunset International, All Island Timeshare, Marriott International, Hilton Grand Vacations, Starwood Vacations, just most all of the testimony was against this.

"The way this was amended in Finance, it's got a blank now. We don't know what they're going to do. If they're going to double it or raise it one and a half times. I don't know, but it's an increase and for those reasons I'll be voting no."

Representative Marumoto rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Stonebraker rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Stevens rose to speak in opposition to the measure, stating:

"Mr. Speaker, I'd like vote no on this measure. This is a tax increase on our vital tourism industry and it's the foundation of our State's economy. I just don't think we should raise taxes for them. Thank you."

Representative Pine rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1026, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Ching, Finnegan, Marumoto, Meyer, Moses, Pine, Stevens and Stonebraker voting no, and with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 820-06) recommending that H.B. No. 2312, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2312, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative B. Oshiro.

Representative Herkes rose to speak in support of the measure with reservations, stating:

"Mr. Speaker. On Stand. Com. Report 820, I vote with reservations. Mr. Speaker, NCOIL has cautioned the states that any rainy day funds or reserve funds, FEMA will grab those first in case of a natural disaster. There are ways that we can protect these kind of funds against FEMA, and I would urge the money Committees to take a good hard look at how we can protect those funds and not have them just gobbled up by FEMA. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2312, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE EMERGENCY BUDGET AND RESERVE FUND," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 821-06) recommending that H.B. No. 2836, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2836, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INFORMATION SECURITY," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 822-06) recommending that H.B. No. 1466, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1466, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I rise with reservations on 822. I'm all for substance abuse treatment and appropriating funds for doing that. My concern here is this measure doesn't tell me who's going to do it; how they're going to do it; are there any measures of accountability or effectiveness. I don't know. I don't know enough details about it. It's very vague. I do think we should move it along. It's a work progress and maybe we can get the details as the measure moves. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1466, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 823-06) recommending that H.B. No. 1795, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1795, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative B. Oshiro.

Representative Halford. rose to speak in opposition to the measure, stating:

"Mr. Speaker. On 823, a no vote please. I'll just briefly comment that this bill certainly does not benefit the Neighbor Islands. In my view, it does not benefit the Health Systems Corporation in any way. Thank you."

Representative Moses rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, in opposition. I believe this measure reverses the openness and transparency and the nonpartisan process that we've been trying to go through. The Attorney General says it doesn't provide for the process or procedure that the Governor is to use to appoint individuals to the Board. So I think there's a lot of work. Thank you."

Representative Meyer rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Finnegan rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I would like a no vote, and just that if this does dwindle the Neighbor Islands from having a stronger say in the HHSC. The system is created for the Neighbor Islands and the rural hospitals, so I have some very strong concerns and I'll be voting no. Thank you."

Representative Pine rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Stevens rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Marumoto rose to speak in opposition to the measure, stating:

"A no vote, Mr. Speaker. I think this is like, not 'court packing', but 'board packing'. Thank you."

Representative Thielen rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1795, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Ching, Finnegan, Halford, Marumoto, Meyer, Moses, Pine, Stevens and Thielen voting no, and with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 824-06) recommending that H.B. No. 1800, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1800, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative B. Oshiro.

Representative Halford rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Moses rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, on 824, House Bill 1800, I'm rising in opposition. This measure raises withholding from 5% to 8.5% of sales prices. Not profits. Again it's a tax increase. You can say it's for people who don't live here, nonresidents, but it's still a tax increase. And the thing is this is raising the price on the sales amount. Not the amount they might realize as profit. Thank you, Mr. Speaker."

Representative Stevens rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Meyer rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Marumoto rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Finnegan rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Pine rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1800, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SALE OF REAL PROPERTY," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Ching, Finnegan, Halford, Marumoto, Meyer, Moses, Pine and Stevens, voting no, and with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 825-06) recommending that H.B. No. 2274, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee

was adopted and H.B. No. 2274, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE RISK MANAGEMENT," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 826-06) recommending that H.B. No. 2419, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2419, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 827-06) recommending that H.B. No. 2835, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2835, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LOW-INCOME REFUNDABLE TAX CREDIT," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

THIRD READING

H.B. No. 2434:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2434, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Third Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

H.B. No. 2901:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2901, entitled: "A BILL FOR AN ACT RELATING TO GARNISHMENT," passed Third Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

H.B. No. 2535:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2535, entitled: "A BILL FOR AN ACT RELATING TO OFFENSES AGAINST PROPERTY RIGHTS," passed Third Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

H.B. No. 2317:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2317, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," passed Third Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

H.B. No. 1947:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 1947, entitled: "A BILL FOR AN ACT RELATING TO LIABILITY," passed Third

Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

H.B. No. 2898:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2898, entitled: "A BILL FOR AN ACT RELATING TO ARBITRATION," passed Third Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

H.B. No. 3253:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 3253, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII RULES OF EVIDENCE," passed Third Reading by a vote of 47 ayes, with Representatives Abinsay, Kahikina, Kanoho and Magaoay being excused.

At 2:51 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

HB No. 2434	HB No. 1947
HB No. 2901	HB No. 2898
HB No. 2535	HB No. 3253
HB No. 2317	

SUPPLEMENTAL CALENDAR #1

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 828-06) recommending that H.B. No. 2972, HD 1, as amended in HD 2, pass Second Reading and be placed on the calendar for Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2972, HD 2, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative B. Oshiro.

Representative Marumoto rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I'm going to vote with reservations. As I recall, all the testimony, like about 20 people, were in opposition. There was only one in favor. Thank you."

Representative Stonebraker rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Pine rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Moses rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Meyer rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Thielen rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

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

"Thank you, Mr. Speaker, in support. I find it curious because all the bill does is to provide for additional education and training to become a licensed electrician. There are about seven or eight parties that came in in support, and that's all the bill does. Is to give more safety to the community and license electricians. Thank you."

Representative Stevens rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2972, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTRICAL LICENSING," passed Second Reading, and was placed on the calendar for Third Reading with Representative Thielen voting no, and with Representatives Abinsay, Kahikina, Kanoho, Magaoay and Schatz being excused.

ORDER OF THE DAY

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolution (H.R. No. 30) and concurrent resolution (H.C.R. No. 43) were referred to Printing and further action was deferred:

H.R. No. 30, entitled: "HOUSE RESOLUTION REQUESTING THE ESTABLISHMENT OF A WORKING GROUP TO PROTECT THE BATOIDEA ORDER, INCLUDING MANTA RAYS FROM POACHING AND FISHING," was jointly offered by Representatives Green, Kanoho and Morita.

H.C.R. No. 43, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF TRANSPORTATION TO INCREASE THE NUMBER OF SAFETY SIGNS ALONG MAMALAHOA HIGHWAY AND QUEEN KAAHUMANU HIGHWAY AND TO EXPEDITE THE CREATION OF A DIVIDED HIGHWAY FROM KAILUA-KONA TO KAWAIHAE," was jointly offered by Representatives Green, Evans, Hale and Herkes.

At this time, Representative B. Oshiro moved to keep the Journal open until 12:00 midnight this legislative day for the purpose of receiving Standing Committee Reports and House bills transmitted thereby, seconded by Representative Meyer and carried. (Representatives Abinsay, Kanoho, Kahikina, Magaoay and Schatz were excused.)

At 2:54 o'clock p.m., on motion by Representative B. Oshiro, seconded by Representative Meyer and carried, the House of Representatives stood in recess until 8:30 o'clock a.m., Tuesday, March 7, 2006. (Representatives Abinsay, Kanoho, Kahikina and Magaoay were excused.)

STANDING COMMITTEE REPORTS

In accordance with the motion made, the following Standing Committee Reports (Stand. Com. Rep. Nos. 829-06 through 947-06), were received by the Clerk prior to 12:00 midnight this legislative day, and the following action was taken:

Stand. Com. Rep. No. 829-06 (CPC) and H.B. No. 3036, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 830-06 (JUD) and H.B. No. 2509, entitled: "A BILL FOR AN ACT RELATING TO DRIVER LICENSING," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 831-06 (JUD) and H.B. No. 3018, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT EMPLOYEES," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 832-06 (JUD) and H.B. No. 105, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 833-06 (JUD) and H.B. No. 1873, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PRESCRIPTIONS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 834-06 (JUD) and H.B. No. 1968, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 835-06 (JUD) and H.B. No. 2367, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL HISTORY RECORD CHECKS FOR SERVICE PROVIDERS OF THE OFFICE OF YOUTH SERVICES," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 836-06 (JUD) and H.B. No. 2710, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO NOISE," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 837-06 (JUD) and H.B. No. 2747, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO DRIVER LICENSING," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 838-06 (JUD) and H.B. No. 3037, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVER LICENSING," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 839-06 (JUD) and H.B. No. 2368, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC HOUSING," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 840-06 (JUD) and H.B. No. 2146, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 841-06 (JUD) and H.B. No. 2372, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 842-06 (JUD) and H.B. No. 2772, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL PROPERTY DAMAGE TO AGRICULTURAL AND AQUACULTURAL PROPERTY," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 843-06 (JUD) and H.B. No. 3017, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TOBACCO PRODUCTS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 844-06 (JUD) and H.B. No. 2199, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO INTERNATIONAL TRADE AGREEMENT," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 845-06 (FIN) and H.B. No. 366, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE UNIVERSITY OF HAWAII COLLEGE OF TROPICAL AGRICULTURE AND HUMAN RESOURCES," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 846-06 (FIN) and H.B. No. 1817, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FIREWORKS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 847-06 (FIN) and H.B. No. 1833, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FIREWORKS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 848-06 (FIN) and H.B. No. 2177, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 12, OF THE HAWAII STATE CONSTITUTION," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 849-06 (FIN) and H.B. No. 2240, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 850-06 (FIN) and H.B. No. 2670, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 851-06 (FIN) and H.B. No. 2823, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BILL OF RIGHTS DAY," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 852-06 (FIN) and H.B. No. 2928, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE COUNTIES," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 853-06 (FIN) and H.B. No. 2961, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 854-06 (FIN) and H.B. No. 3126, entitled: "A BILL FOR AN ACT RELATING TO RAPID IDENTIFICATION DOCUMENTS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 855-06 (FIN) and H.B. No. 1904, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC SAFETY AT PUBLIC SCHOOLS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 856-06 (FIN) and H.B. No. 1918, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COMMISSION ON SALARIES," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 857-06 (FIN) and H.B. No. 2215, entitled: "A BILL FOR AN ACT RELATING TO CONCESSIONS ON PUBLIC PROPERTY," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 858-06 (FIN) and H.B. No. 2271, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NON-AGRICULTURAL PARK LANDS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 859-06 (FIN) and H.B. No. 3217, HD 1, entitled: "A BILL FOR AN ACT RELATING TO KUPUNA RECOGNITION DAY," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 860-06 (FIN) and H.B. No. 1867, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 861-06 (FIN) and H.B. No. 1021, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 862-06 (FIN) and H.B. No. 1706, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM ENVIRONMENTAL COVENANTS ACT," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 863-06 (FIN) and H.B. No. 2040, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE SENATOR HIRAM L. FONG SCHOLARSHIP PROGRAM," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 864-06 (FIN) and H.B. No. 2045, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PERINATAL CARE," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 865-06 (FIN) and H.B. No. 2066, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOMELESSNESS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 866-06 (FIN) and H.B. No. 2263, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLING INVASIVE SPECIES," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 867-06 (FIN) and H.B. No. 3087, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 868-06 (FIN) and H.B. No. 3098, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHARTER SCHOOLS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 869-06 (FIN) and H.B. No. 1886, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 870-06 (FIN) and H.B. No. 1948, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO SOLID WASTE MANAGEMENT," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 871-06 (FIN) and H.B. No. 1917, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT PROPOSING AMENDMENTS TO THE HAWAII CONSTITUTION RELATING TO THE ESTABLISHMENT OF A SALARY COMMISSION," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 872-06 (FIN) and H.B. No. 2211, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO DEFINITIONS FOR WORKERS' COMPENSATION," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 873-06 (FIN) and H.B. No. 2371, as amended in HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE HAWAII YOUTH CORRECTIONAL FACILITY," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 874-06 (FIN) and H.B. No. 2558, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO VOCATIONAL REHABILITATION," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 875-06 (FIN) and H.B. No. 2566, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 876-06 (FIN) and H.B. No. 2598, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 877-06 (FIN) and H.B. No. 2678, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 878-06 (FIN) and H.B. No. 2994, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO LAND ACQUISITION," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 879-06 (FIN) and H.B. No. 3121, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CIVIL DEFENSE," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 880-06 (FIN) and H.B. No. 1928, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 881-06 (FIN) and H.B. No. 1938, 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 March 7, 2006.

Stand. Com. Rep. No. 882-06 (FIN) and H.B. No. 2399, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO INTER-ISLAND FERRY SERVICE," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 883-06 (FIN) and H.B. No. 2669, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONVENTION CENTER ENTERPRISE SPECIAL FUND," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 884-06 (FIN) and H.B. No. 1862, 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 March 7, 2006.

Stand. Com. Rep. No. 885-06 (FIN) and H.B. No. 2178, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 886-06 (FIN) and H.B. No. 2609, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING FOR EMPLOYEES IN NEW CENTURY CHARTER SCHOOLS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 887-06 (FIN) and H.B. No. 2610, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHARTER SCHOOLS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 888-06 (FIN) and H.B. No. 2765, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO INVASIVE SPECIES," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 889-06 (FIN) and H.B. No. 2878, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST TRADEWINDS FOREST PRODUCTS, LLC," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 890-06 (FIN) and H.B. No. 3067, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 891-06 (FIN) and H.B. No. 3077, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST ROSETTE STEEL HAWAII," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 892-06 (FIN) and H.B. No. 2962, 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 March 7, 2006.

Stand. Com. Rep. No. 893-06 (FIN) and H.B. No. 1836, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO VETERINARIANS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 894-06 (FIN) and H.B. No. 2039, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DECONTAMINATION OF ILLEGAL DRUG MANUFACTURING SITES," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 895-06 (FIN) and H.B. No. 2278, HD 1, entitled: "A BILL FOR AN ACT MAKING EMERGENCY APPROPRIATIONS FOR THE DEPARTMENT OF THE ATTORNEY GENERAL," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 896-06 (FIN) and H.B. No. 2442, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MILITARY INSTALLATIONS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 897-06 (FIN) and H.B. No. 1835, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF TRANSPORTATION," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 898-06 (FIN) and H.B. No. 2778, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LANGUAGE ACCESS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 899-06 (FIN) and H.B. No. 3149, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND TRANSFER," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 900-06 (FIN) and H.B. No. 2183, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY SHELTERS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 901-06 (FIN) and H.B. No. 2311, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 902-06 (FIN) and H.B. No. 2803, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONVEYANCE TAX," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 903-06 (FIN) and H.B. No. 2508, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO WAIVER OF ABANDONED VEHICLE PUBLIC AUCTION REQUIREMENTS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 904-06 (FIN) and H.B. No. 1843, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO VOCATIONAL AGRICULTURE EDUCATION," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 905-06 (FIN) and H.B. No. 2550, 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 March 7, 2006.

Stand. Com. Rep. No. 906-06 (FIN) and H.B. No. 3030, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE BUREAU OF CONVEYANCES," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 907-06 (FIN) and H.B. No. 2265, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 908-06 (FIN) and H.B. No. 2717, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 909-06 (FIN) and H.B. No. 2109, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 910-06 (FIN) and H.B. No. 3019, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 911-06 (FIN) and H.B. No. 3089, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES' TRUST FUND," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 912-06 (FIN) and H.B. No. 2698, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 913-06 (FIN) and H.B. No. 2097, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CAREGIVERS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 914-06 (FIN) and H.B. No. 2248, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO KIKALA-KEOKEA," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 915-06 (FIN) and H.B. No. 3060, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 916-06 (FIN) and H.B. No. 3202, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING

TO AFFORDABLE HOUSING," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 917-06 (FIN) and H.B. No. 3222, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 918-06 (FIN) and H.B. No. 2204, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 919-06 (FIN) and H.B. No. 2440, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM ATHLETE AGENTS ACT," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 920-06 (FIN) and H.B. No. 3261, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO INGENUITY CORPORATION CHARTER," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 921-06 (FIN) and H.B. No. 2182, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 922-06 (FIN) and H.B. No. 2833, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PRISONS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 923-06 (FIN) and H.B. No. 3080, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO DIGITAL MEDIA," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 924-06 (FIN) and H.B. No. 2746, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO AVIATION FUEL TAXES," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 925-06 (FIN) and H.B. No. 2991, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 926-06 (FIN) and H.B. No. 2051, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROTECTION FOR VICTIMS OF HUMAN TRAFFICKING," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 927-06 (FIN) and H.B. No. 2655, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE ACCIDENT INVESTIGATION," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 928-06 (FIN) and H.B. No. 3129, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM CARE," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 929-06 (FIN) and H.B. No. 3133, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO FEDERALLY QUALIFIED HEALTH CENTERS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 930-06 (FIN) and H.B. No. 2043, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO MEDICAID," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 931-06 (FIN) and H.B. No. 2551, 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 March 7, 2006.

Stand. Com. Rep. No. 932-06 (FIN) and H.B. No. 2743, 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 March 7, 2006.

Stand. Com. Rep. No. 933-06 (FIN) and H.B. No. 1866, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 934-06 (FIN) and H.B. No. 2212, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO SUBSTANCE ABUSE," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 935-06 (FIN) and H.B. No. 2130, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO HARBORS," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 936-06 (FIN) and H.B. No. 2444, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 937-06 (FIN) and H.B. No. 2966, 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 March 7, 2006.

Stand. Com. Rep. No. 938-06 (FIN) and H.B. No. 2256, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 939-06 (FIN) and H.B. No. 2606, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 940-06 (FIN) and H.B. No. 2863, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ESTABLISHMENT OF THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY INNOVATION CORPORATION," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 941-06 (FIN) and H.B. No. 3056, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO KAWAI NUI MARSH," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 942-06 (FIN) and H.B. No. 3053, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 943-06 (FIN) and H.B. No. 2175, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 944-06 (FIN) and H.B. No. 2181, 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 March 7, 2006.

Stand. Com. Rep. No. 945-06 (FIN) and H.B. No. 3115, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE PETROLEUM INDUSTRY," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 946-06 (FIN) and H.B. No. 2555, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY," were placed on the calendar for Third Reading on March 7, 2006.

Stand. Com. Rep. No. 947-06 (FIN) and H.B. No. 1368, 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 March 7, 2006.

ADJOURNMENT

At 12:00 o'clock midnight, the House of Representatives adjourned until 8:30 o'clock a.m., Tuesday, March 7, 2006.

TWENTY-SIXTH DAY

Tuesday, March 7, 2006

The House of Representatives of the Twenty-Third Legislature of the State of Hawaii, Regular Session of 2006, convened at 8:43 o'clock a.m., with the Speaker presiding.

The invocation was delivered by Ms. Laura E. Thielen of the Affordable Housing and Homeless Alliance, after which the Roll was called showing all members present with the exception of Representatives Cabanilla, Karamatsu, Meyer, Stonebraker and Waters, who were excused.

By unanimous consent, reading and approval of the Journal of the House of Representatives of the Twenty-Fifth Day was deferred.

INTRODUCTION

The following introduction was made to the members of the House:

Representative Thielen introduced her infant granddaughter, Anna Ellis Thielen; her son, Mr. Greg Thielen; and daughter-in-law, Ms. Laura Ellis Thielen who delivered today's invocation.

SUSPENSION OF RULES

On motion by Representative B. Oshiro, seconded by Representative Meyer and carried, the rules were suspended for the purpose of considering certain bills on Third Reading on the basis of a modified consent calendar. (Representatives Cabanilla, Karamatsu, Stonebraker and Waters were excused.)

At this time, the Chair announced:

"Members, the Chair will be moving two items to the end of the calendar. On page 4, Standing Committee Report No. 728-06, H.B. No. 2696, HD 2; and on page 11, Standing Committee Report No. 775-06, H.B. No. 2589, HD 2, both to the end of the calendar. Any questions?"

UNFINISHED BUSINESS

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 709-06) recommending that H.B. No. 1821, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1821, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Sonson rose to speak in support of the measure, stating:

"Thank you very much, Mr. Speaker, and good morning. Good morning colleagues. I'm standing in support, strong support of HB No. 1821, HD 2, Relating to Care Homes.

"Mr. Speaker, there are about 140,000 caregivers in this State. Most of them however take care of their own parents, their brothers, even their friends at home. What this bill is talking about are care homes or caregivers that are professionals.

"We need professional caregivers because there are people out there who don't have parents, who don't have children, who don't have friends to care for them. Most of the time these patients are in the nursing homes or in hospitals. They're occupying beds that are valued at about \$4,000 or \$8,000 a month. It's very expensive to

upkeep them and the State has this obligation to a lot of these in the elderly population.

"Your typical patient that goes into care homes, Mr. Speaker, normally has various kinds of disabilities. They could be mentally retarded, or they could just be old, they have dementia, Alzheimer's disease, whatever ails them, Mr. Speaker. They need 24-hour care.

"The caregivers that we're talking about here are primarily from third world countries. They are immigrants here; they're first time immigrants. They are normally suited for these kinds of jobs, this kind of care giving because of the countries they come from. It is often the practice that they will expect their children to care for them when they grow old. Therefore they prepare these children as they grow up to say, 'You know, son, daughter, you know when I'm old, you're going to take care of me.'

"That's the kind of attitude they bring to this country and lo and behold, an industry opens up when there are parents out there, or brothers and sisters that nobody cares for, and they will bring them into their homes. They bathe them, they comb their hair, brush their teeth, feed them, they give them a special diet, they make sure that they don't lose more than five pounds a month or gain more than five pounds a month.

"Mr. Speaker, the work is 24 hours. If you neglect them, there are severe penalties that may ensue. So these professional caregivers must go through a lot of training. They have to have a year experience working at a facility where they care for a lot of these patients. And when these patients leave those expensive facilities, they go to their home.

"The State supplemental, Mr. Speaker, is currently set at \$521. The \$521 from the State, Mr. Speaker, is the number that we want to increase with this bill. I hope that colleagues understand that housing is an extremely important issue out there, and look at this. With \$521 these caregivers provide a room, special diet if needed, 24-hour care, rides and trips to the hospital, to the clinics, to the doctor. They bathe them.

"Mr. Speaker, I don't think we could question that they work very, very hard. It is unfortunate that we don't actually see it. When I speak of it, it's hard to picture it, but I visited care homes. I slept in one in Hilo. A very nice care home and the work that the caregivers do is something that I can tell you, I don't think I can do it.

"I am so happy that my father who is elderly, he's 88 years old now. He married a 44-year-old caregiver. I'm happy about that because if not, I will probably have a very difficult time fulfilling my obligation to my father. Thank you, Mr. Speaker, and I hope this bill will go forward. Thank you."

Representative Abinsay rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I'm in strong support of the measure, and if I may also adopt the words of the Representative from District 35 as if they were my own. Thank you, Mr. Speaker," and the Chair "so ordered." (By reference only.)

Representative Finnegan rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in support with short comments. Thank you. Basically, Mr. Speaker, across the nation we're looking at ways on how we can have community-based care for long-term needs for the elderly and the disabled. Hawaii has a great model with our ARCs and our care homes, and anyway that we can motivate that and continue that out to the future is very important. Thank you."

Representative Kawakami rose to speak in support of the measure, stating:

"Yes, Mr. Speaker, on the same measure in strong support and I'd would like say a few words. Mr. Speaker, and Members of the House, on my home island of Kauai we've had several care homes, adult care homes close because they simply could not meet the financial ends.

"The level of care payments paid to the care home operators just wasn't enough to keep them open and it is a travesty, because once they close it is impossible to replace them. There are no housing alternatives for those who are displaced.

"The level of care payments have remained the same since 1997 and with rising costs of housing and care, we need to keep the operators of the care homes for the disabled compensated to the level that makes operating a care home at least a good venture.

"Therefore Mr. Speaker, I stand in strong support of House Bill 1821, HD 1, and I urge my colleagues to do the same. Thank you very much."

Representative Magaoay rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Magaoay's written remarks are as follows:

"Mr. Speaker, I rise in support of House Bill 1821.

"Mr. Speaker, I believe that the passage of House Bill 1821 will assist in providing adequate residential settings for individuals requiring housing in developmental disability domiciliary homes, developmental disability adult foster homes, and developmental disability apartment complexes. It will assure proper funding where funding may be insufficient for the caregiver, and recipient.

"Mr. Speaker, this piece of legislation would adjust the level of care payments for adult residential care homes, adult foster homes, developmental disability domiciliary homes, and developmental disability apartment complexes. Acceptance of House Bill 1821 will support the integrity of generated funds for the developmental disability homes, foster homes, and apartment complexes. Thank you, Mr. Speaker."

Representative Pine rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Pine's written remarks are as follows:

"Mr. Speaker, I rise in support. The purpose of this bill is to adequately compensate care home operators by clarifying that domiciliary care includes care provided in developmental disabilities domiciliary homes, developmental disabilities adult foster homes, and developmental disabilities apartment complexes. It also establishes a minimum level of care payment for type I and type II adult residential care homes, licensed developmental disabilities apartment complexes, and certified adult foster homes.

"This bill is long overdue. Our care home providers have not received an increase in pay for 12 years. Because people are living longer and the so-called "baby-boomers" are beginning to retire, care home providers are needed more than ever before.

"Home and community based caregivers are qualified, trained, and experienced nurses' assistants. Compared to nurses' assistants in hospitals, nursing facilities, and home health agencies, whom are paid at entry levels starting at \$11.29 per hour, or \$90.32 per 8-hour day, currently home and community based caregivers provide 24 hour/7 days a week services and are only paid \$24.98 per 24-hour day per Care Level I client and \$41.06 per 24-hour day per Care

Level II client. We must make sure our home care providers are cared for because they contribute a noble service for our community. Thank you."

Representative Ching rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in strong support of this measure.

"Patients, as well as families rely upon the compassion and loving care provided by care homes. H.B. 1821 – Relating to Care Homes, will adjust the levels of care payments for adult residential care homes, adult foster homes, developmental disabilities domiciliary homes, and developmental disabilities apartment complexes. An increase in pay for employees of Type 1 and Type 2 homes will address the great need to insure quality care. Based on current levels, care homes have no incentive to provide these kinds of services because the money is just not there.

"Each passing year the cost of operating care homes have increased, without a corresponding increase in payments to employees. We must make sure these facilities remain viable options for those in need."

Representative Kahikina rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in strong support. Just a word as the Chair of Housing, I understand the emergency need to fill and repair the housing stock. It will be a travesty if we cannot help to keep these homes open. Thank you."

Representative Finnegan rose in support of the measure and asked that the remarks of Representative Kawakami be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1821, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CARE HOMES," passed Third Reading by a vote of 49 ayes, with Representatives Cabanilla and Hale being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 710-06) recommending that H.B. No. 1888, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1888, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Hale rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Hale's written remarks are as follows:

"This bill (HB 1888) is simply a common sense statement. We may have great minds and great talent latent in our people here in Hawaii who can devise ways to harness renewable energy sources to save our islands from foreign energy dependence. But more minds in a larger talent pool are obviously better. By cooperating and collaborating with other institutions internationally, we allow our State to leverage this greater pool.

"Energy policy has always been of great concern to our State, as all of our State funded energy projects can attest. Our Governor has also dedicated a great portion of her agenda to this issue this year with various initiatives, and so has your Majority in this House. But with available technologies, curbing foreign energy dependence means having to make sometimes painful trade-offs. It is only with

technological innovation that we can find ways to curb our dependence and yet maintain our standard of living.

"What we in this Legislature are stating, our common sense statement, is that DBEDT needs to make sure that their research and technology is pertinent and on the cutting-edge. The only way to do this is by seeking cooperation and collaboration both here domestically and internationally; perhaps with a legislative mandate, DBEDT can now coalesce the needed resources to boost their international cooperation agreements and collaborations. In their benefit, developing and bringing to market renewable energy technologies is an overwhelmingly difficult task. If it were easy, it would have already been done.

"But I am optimistic of what our University of Hawaii, DBEDT, Hawaii firms like Hoku Scientific and researchers around the world can discover. In addition to strong collaborations with our University and Hawaii firms, let us allow and encourage DBEDT to go beyond and bring home new and viable ideas from abroad so that this long awaited future of energy independence can finally arrive."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1888, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INTERNATIONAL COOPERATION," passed Third Reading by a vote of 49 ayes, with Representatives Cabanilla and Hale being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 711-06) recommending that H.B. No. 1975, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1975, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker, in strong support. Mr. Speaker, this is an effort to try to provide basic medical services and urgent care services to rural areas, portions of the Big Island.

"If we can make this model work, then I can see it as appropriate for areas like Hanapali where there's one road going into that district and many other areas in the State. So I hope that this will be a model to try to bring some basic clinical support and urgent care to all the rural residents of this State. Thank you."

Representative Harbin rose to speak in support of the measure, stating:

"Mr. Speaker, I too would like to stand in strong support, but I would also like to make sure that we understand that this is a statewide issue. We have areas all over the State, and even in Honolulu that need this type of assistance.

"According to the trauma system consultation that was done for the Department of Health by the American College of Surgeons, they recommend that we develop a county trauma audit committee, and I truly hope that this will be the first step for us to identify a very bad problem because of the imploding of our health care system. With that in mind I have strong support for this measure."

Representative Green rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in strong support of the measure. I just wanted to echo the comments made by the Representative from Volcano. On the Big Island we have really long distances on many occasions, between health care facilities. This kind of thinking out of the box will save lives over time. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1975, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY MEDICAL SERVICES," passed Third Reading by a vote of 49 ayes, with Representatives Cabanilla and Hale being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 712-06) recommending that H.B. No. 2126, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2126, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Yamane rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I rise in strong support. Mr. Speaker, EMS has responded to over 73,000, 911 calls in 2005, and currently on this Island of Oahu we have 18 ambulance units, which is not enough. Currently, all of last year from January 1st to December 31st in the Central Oahu area, we received, they received over 563 calls in Wahiawa, 572 in Mililani, 636 in Waikale, and 258 in Mililani Mauka.

"This bill will ask for an investment of \$1.3 million to add a 16-hour ambulance unit 7 days a week for the Mililani/Waipio/Gentry area. This ambulance unit, Mr. Speaker, will have wide ranging impact from the North Shore to Waianae, and all the way to Aiea.

"So I ask all of you to remember that they will respond. EMS will respond when you call 911. The issue with this bill is it will save lives because they will be able to respond quicker. There's a saying, the 'golden hour' – within the 'golden hour' – which means from the time of a traumatic accident to the time that you get emergency care. Within that hour you need the quickest and fastest response. This bill will save lives. Thank you for your support."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2126, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR EMERGENCY MEDICAL SERVICES," passed Third Reading by a vote of 49 ayes, with Representatives Cabanilla and Hale being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 713-06) recommending that H.B. No. 2187, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2187, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Magaoay rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I stand in strong support regarding SCR 713, House Bill 2187. Colleagues, I ask for your strong support. In light of what has happened on the Windward side with the rain that we have, this bill right now will provide for the MAST helicopters that will be going on to Iraq, so I'm asking my colleagues to please support this. It is one small mission for us to make sure that the lives of the North Shore, the Windward side, the Leeward Coast, and Central Oahu are taken care of because of the way our world is changing, our climate – not the change in weather, but things that we have. We have a lot of young people that like to be adventurous, thrillseekers, who go out to these various areas. We need this kind of service to help us as we go.

"Also in this bill, we also provide another ambulance in the mean time as we try to pursue a contract to get this MAST helicopter. So colleagues I ask for your support. Hopefully this is a temporary

measure, and hopefully DOD will come back and be a permanent solution. Thank you."

Representative Meyer rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I'm rising in strong support of this measure. And I just would like to just say 'ditto' to all the things the Representative from Haleiwa said. Over the years I can't tell you how many times I've seen the military helicopter there. And you know, it gives you a sense of, 'Oh, thank goodness they are there,' because they have saved many lives. I also would ask that I could insert some additional remarks into the Journal. Thank you," and the Chair "so ordered"

Representative Meyer's written remarks are as follows:

"This measure is very important to my district. Due to the increased military presence in Afghanistan and Iraq, aeromedical helicopters, which have served the residents of Oahu for the last 31 years may soon be deployed to foreign countries. Many lives have been saved due to the speedy transport of seriously injured persons from rural areas to Queen's Hospital via the military's Medical Assistance to Safety and Traffic (MAST) victims.

"This bill provides funding for an alternative aeromedical service and an ambulance to service the North Shore area until the state is able to provide an alternative aeromedical service."

Representative Green rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in strong support. I would echo the previous two speakers' comments. I would also like to say that this past weekend, I was on call and I had a young woman who shattered her left arm. Both bones were shattered completely, and because of the weather up in Hawi, it was impossible to transport her. It's a very difficult problem. Because of unfortunately, economies of scale where populations cluster and so on, on the islands, we may never have, or it might be many, many years before we have orthopedic access and full trauma access on some of the Neighbor Islands, or in some communities.

"I think we're going to have to focus, as a Legislature and a State, on increasing our capacity to easily transfer people who are suffering, because we probably won't be able to afford complete and comprehensive teams, surgical teams, at each of these other sites. But by having access to more helicopter services and ground services to accommodate any circumstance, we'll get people the care they need. Thank you, Mr. Speaker."

Representative Pine rose to speak in support of the measure, stating:

"Yes, Mr. Speaker, just in strong support. In fact, just this past week, a person from Ewa Beach was medevaced to Queen's Hospital by using this service. So I'm strong support and request written comments. Thank you," and the Chair "so ordered."

Representative Pine's written remarks are as follows:

"Mr. Speaker, I rise in support. The brave men and women of the United States Army's 68th Medical Company who have served as Hawaii's lifesaving responders for the past 31 years are being deployed to the Middle East. These brave soldiers have transported over seven thousand patients and saved countless lives by transporting patients from the rural areas of Oahu to downtown area hospitals. This void could put us in a crisis situation. For example, when we have to medevac a person from the Leeward Coast to Queen's Trauma Center, emergency personnel will have to load the patient into an ambulance and transport them through heavy traffic to downtown Honolulu. By looking to other government agencies or another military unit like the National Guard in Ewa Beach to fill the

void is the right step to ensure that our citizens in rural Hawaii have the necessary aeromedical services to receive fast and immediate emergency care.

"This bill also requires that all three levels of government participate in funding this important medical service. State, City, and county governments will all share the cost to contract with an existing government agency or United States military unit to provide intra-island roto-wing aeromedical services for rural Oahu. With all three levels of government involved in funding the aeromedical services demonstrates that the governments of Hawaii are united to make sure our citizens receive the best medical services available during an emergency. Thank you"

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2187, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR EMERGENCY MEDICAL SERVICES," passed Third Reading by a vote of 49 ayes, with Representatives Cabanilla and Hale being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 714-06) recommending that H.B. No. 2526, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2526, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION AS A GRANT-IN-AID TO THE COUNTY OF HAWAII FOR EMERGENCY MEDICAL SERVICE PERSONNEL TO STAFF THE AEROMEDICAL HELICOPTER UNIT," passed Third Reading by a vote of 49 ayes, with Representatives Cabanilla and Hale being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 715-06) recommending that H.B. No. 2884, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2884, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Carroll rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I rise in strong support of Standing Committee Report 715, House Bill 2884. The purpose of this bill is to improve emergency health care for residents and visitors of the Haiku region of Maui by providing 24-hour advance life support ambulance services.

"I would like to just mention that the closest ambulance in Makawao responds over 15 times per week to Haiku, with the response time that averages about 40 to 45 minutes each time. The next closest is Pukalani which is a little further from Makawao, and then from there, it's the region of Hana, which is 90 minutes further.

"My deep concern is not only the 'golden hour', which our Representative from Mililani had mentioned about, but also in time of disaster and also in times of traffic. On your way out on the Hana Highway going to Ho'okipa, there's quite a bit of traffic going out that way. So having a Haiku ambulance will not only serve the purpose of our response time, but because that is a rural area, and we have some areas where it's very hard to reach, this service is very much in need. It will also save lives, so I encourage my colleagues to support this. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2884, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR AMBULANCE SERVICE FOR THE HAIKU REGION OF MAUI," passed Third Reading by a vote of 49 ayes, with Representatives Cabanilla and Hale being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 716-06) recommending that H.B. No. 2771, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2771, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Karamatsu rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Karamatsu's written remarks are as follows:

"I rise in support. This bill appropriates monies to the Department of Agriculture's agricultural park in Royal Kunia. The agricultural park is one hundred fifty acres of prime agricultural land and would encourage agricultural development and serve as a buffer between urban lands in Kunia and the *mauka* agricultural lands. As the demand for urban land development increases, it is vital that prime agricultural land be protected through agricultural parks such as this."

Representative Magaoay rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. On Standing Committee Report 716, House Bill 2771, House Draft 2. Mr. Speaker and colleagues, I'm standing in strong support. We need to preserve the ag land that we have in Kunia, in light of what has happened with Del Monte and the people out on that side. We need to make sure that the agriculture is restored in that Plain because the only water source that we have is coming from Waiahole, and we want to make sure that the water keeps on flowing to the district and that area. Hopefully we can continue to see that, and ask my colleagues for a strong support on this bill. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2771, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR AN AGRICULTURAL PARK IN ROYAL KUNIA," passed Third Reading by a vote of 49 ayes, with Representatives Cabanilla and Hale being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 717-06) recommending that H.B. No. 3118, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3118, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative M. Oshiro rose to speak in support of the measure, stating:

"Mr. Speaker, rise in strong support. I ask that I be given permission to insert written comments so that we may move this Body along as soon as possible, Mr. Speaker. 'Thank you,' and the Chair 'so ordered'"

Representative M. Oshiro's written remarks are as follows:

"Mr. Speaker, I rise to speak in favor of House Bill No. 3118, House Draft 1, Relating To Corporations.

"This bill, if enacted into law, would allow the incorporation of a business that has stakeholders other than shareholders. There is no State in our country that has this law and Hawaii can become the first.

"I find this measure to be similar to the laws that established our captive insurance industry in 1987. Who could have imagined that twenty years later, Hawaii would be one of the captive insurance

leaders in our country with \$741 million dollars deposited in our local banks, stimulating \$10.5 million in economic activity in this State every year. According to the Department of Commerce and Consumer Affairs, although captive insurance companies only employ around 50 positions, these companies create ancillary jobs for professionals who help manage the captive companies. An example of these businesses are KHM LLP for accounting and auditing purposes, Goodsill Anderson Quinn & Stifel from the legal sector, First Insurance Company of Hawaii, Ltd. providing business management services, as well as many other businesses prospering from captive insurance in Hawaii.

"The same effect could result from Hawaii becoming the first state in the nation to incorporate responsible business corporations and bring in related legal, financial, and investing expertise that will follow these corporations. Hawaii can become a leader in creating a positive corporate climate for businesses and set an example for the nation to follow.

I. OUR COUNTRY NEEDS RESPONSIBLE CORPORATIONS

"Mr. Speaker, the term "responsible corporation" has become an oxymoron in society today. Corporations and its directors are charged with one fiduciary goal: to make a profit for their shareholders. The fact is that corporate law today does not allow for any other goal for the corporation. As long as the bottom line has a dollar sign, a corporation is doing its job.

"While corporations are great at making profits, sometimes these profits are at the expense of the public. Since the start of the 21st century, just six years ago, we have had our share of corporate malfeasance. In 2001, the corporations Enron and WorldCom violated the public's trust and as a result crippled our financial markets. The burden of these problems on our society is staggering. We need to take a stand for a truly responsible corporation.

II. NON-PROFIT CORPORATIONS DO NOT ADDRESS THE NEED FOR RESPONSIBLE CORPORATIONS

"Socially Responsible Investing, or SRI, is a growing trend among investors. Today, SRI funds are growing in number and diversity. They consist of large and small cap corporations that have good track records in areas such as diversity, the environment, and labor relations. Investors look at these funds not only for their own conscience, but also to mitigate the costs of litigation, regulatory fines, and corporate scandals or malfeasance that affect non-SRI companies. Some examples of corporations with impeccable reputations are Graco, General Mills, Proctor & Gamble, and Whole Foods Market.

"The responsible corporation is a hybrid between a regular corporation and a non-profit corporation. The responsible corporation will have board members from different interest groups, but more importantly, maintain the ability to issue stock that non-profit corporations are prohibited. House Bill 3118, House Draft 1, takes advantage of socially responsible investing by allowing these investors to purchase stock in them. These corporations will have a growing investment base to attract.

III. MINNESOTA IS CONSIDERING A SIMILAR MEASURE IN ITS SESSION

"Mr. Speaker, we are not the only State in the union discussing the importance of responsible corporations. The State of Minnesota is also considering a similar bill in their 2006 Session. Let us be the first in the nation to take an affirmative action on advocating for responsible corporations.

IV. THE RESPONSIBLE CORPORATION WILL PUT THE COMMUNITY AND PROFITS ON THE SAME LEVEL

The Responsible Corporation model puts community members and employees into decision-making roles of the business. Many

businesses today have found that morale and job satisfaction are greatly increased by giving the employees a chance to guide and direct the corporation. Community leaders will also have a place in the corporation to promote the public welfare. A responsible corporation would be able to balance profits with impact to the employees, effects on the environment, the public's general welfare, and other social policy issues.

V. THE RESPONSIBLE CORPORATION IS VOLUNTARY

"The election to become a responsible corporation is voluntary. Corporations are free to choose from the different business models in Hawaii. We should allow for-profit businesses with the public interest at heart to have a corporate structure designed specifically for them. For example *Inner Ocean Publishing* in Maui is one such business. This small corporation believes in responsibility toward the environment and its community. In her testimony, Karen Bouris of *Inner Ocean Publishing* stated,

"I strongly believe that the Responsible Corporation Act would give us – and others – access to clear guidelines and incentives that would provide long term benefits for our company and Hawaii. Currently, we evaluate bottom line benefits to our company . . . For the production of books, we currently use post-consumer waste paper, the least offensive ink available, and work with a printer whose plant is adhering to clean waste guidelines . . . For each book, [The Green Press Initiative] calculate[s] the cost benefit to the environment. The benefit to Inner Ocean – beyond the benefit of 'doing the right thing' and the long term benefit for future generations – is that our marketplace, [our] authors, organizations, and independent bookstores [are] enthusiastically supportive of our company, books, and the integrity with which we aspire to match our talk with our actions."

"If this bill were enacted, a company such as *Inner Ocean Publishing* with beliefs of corporate responsibility, would be the first to convert. Give these businesses a chance to become true models of corporate governance. Allow a corporation to fight for something much greater than profit.

VI. TAX BENEFITS ARE IN THE PUBLIC'S BEST INTEREST

"The tax benefit provision in House Bill No. 3118, House Draft 1, is an incentive to promote responsible corporations in our State. As a matter of public policy, it is in the public's best interest to have responsible corporations. This provision can be addressed later in this Legislature, or in future Legislatures.

"For these reasons, I urge my esteemed colleagues to support this measure. Thank you."

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I'm rising in support with some reservations. This is a bill that seeks to give tax credits to responsible business corporations. I would like to point out a few problems with House Bill 3118, House Draft 1.

"As I said, the bill seeks to give breaks to corporations whose primary concerns are the public interest rather than their own success. Let's look at the bill in relation to a specific industry. Let's take the oil industry. This industry is made up of corporations that fulfill the requirements outlined in House Bill 3118, House Draft 1, and thus merit corporate tax exemptions.

"The popular view of the oil industry is that they are gouging consumers, making a huge profit at the expense of the common man. But wait, what if you look at it another way. They really do have our best interest at heart. High gas prices encourage people to drive less. That reduces the amount of air pollution and encourages people to walk more both of which contribute to a healthy population. Sure it

may make it difficult to get around. It may take more time to get places, but the corporations refining gasoline know what is best for the public. They are merely trying to encourage a healthier Hawaii.

"Expensive gasoline is not only good for the public's health, it increases the public safety. With fewer cars on the road and fewer people driving while dialing on their cell phones, or doing other distracting activities, the roads and the crosswalks would be safer for everyone. Fewer cars mean lighter traffic, and less stress and frustration to those who continue to drive, reducing the amount of road rage and resulting altercations. The high prices also reduce the amount of irresponsible driving as more drivers will be encouraged to take the bus as a more cost efficient alternative.

"Again the oil industry corporations will do what they could to protect Hawaii's consumers from irresponsible and unhealthy lifestyles. It doesn't matter that people find it inconvenient to take the bus and be reliant on others for transportation. It is the best thing the oil industry could do to keep the people of Hawaii safe.

"That will be one way to look at it. With such altruistic motivations the oil industry desperately deserves the tax breaks afforded in House Bill 3118, and lucky for the rest of us they will be able to keep themselves in business rather than relying on the government to do so as many of the responsible business corporations will undoubtedly have to do. Indeed the high prices of gasoline are in the public interest as defined in House Bill 3118, House Draft 1.

"In all honesty, while this bill is a noble idea, it needs some serious reconsideration. This bill is too far reaching and could get out of hand if not outlined with more concrete restrictions. Otherwise we may be inundated with requests from corporations for the responsible business corporation status and the attending tax breaks it will bring. It's all a matter of how you look at it."

Representative Marumoto rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I will also rise with reservations. The Department of Commerce and Consumer Affairs was less than enthusiastic about this measure. They decided that it would be problematic to create this new animal: the very idealistic, responsible business corporation. It will take adjustment in their software and many hours of work for new rules and regulations. But there is an alternative that was suggested in the Tax Bill Service testimony. It says and I quote,

... as an alternative it should be noted that these responsible business corporations appear to be similar to nonprofit corporations as they are established under federal IRC 501C 3 provisions. Their tax exempt nature would allow similar activities to those proposed by the responsible business corporation so they can already tack onto what is already in existence.

"Thank you very much."

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, also with reservations. Besides all the things you just heard from my colleagues, I would say that maybe the power generating companies would qualify because of course, they have a lot to do with public health. How can we operate our machines and hospitals without electricity?

"Public safety, because of course people won't hurt themselves at night because they can see what's going on in their homes. And educational, because after all, the children can watch PBS so they obviously involve the general well being of the local State enterprises. So I think that we again have to be very, very careful. This could apply to just about anybody."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3118, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CORPORATIONS," passed Third Reading by a vote of 49 ayes, with Representatives Cabanilla and Hale being excused.

At 9:12 o'clock a.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 1821, HD 2	H.B. No. 2526, HD 2
H.B. No. 1888, HD 1	H.B. No. 2884, HD 2
H.B. No. 1975, HD 2	H.B. No. 2771, HD 2
H.B. No. 2126, HD 2	H.B. No. 3118, HD 1
H.B. No. 2187, HD 2	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 718-06) recommending that H.B. No. 3216, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3216, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Carroll rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I rise in strong support of Standing Committee Report 718. The purpose of this bill is to direct the Auditor to conduct an audit to determine the feasibility of deploying alternative energy resources to meet the energy needs of the Island of Kahoolawe.

"I'd like to note for the record that in 2004, a report was sent to the Legislature on the use of alternative energy sources to address energy needs on the Island of Kahoolawe, and in this report there were four recommendations that were made.

"The first recommendation was an exemption from the Public Utilities Commission oversight and regulation. The second recommendation was additional data collection sites. The third recommendation was the development of model encampment, and the fourth recommendation was ongoing evaluation of long-term alternative energy.

"There was a cost analysis that was attached to that, however because of time and because of infrastructure which was not added in the report, in this bill that is before us today will help us to move Kahoolawe forward in seeking and actually providing alternative energy sources.

"I would like to say that this is an opportunity for the State of Hawaii. In conclusion, the revitalization of Kahoolawe represents a unique opportunity to build a sustainable development model for the world based on innovative alternative energy and environmentally conscious technology. So I urge my colleagues to please support this measure."

At 9:15 o'clock a.m., Representative Souki requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 9:16 o'clock a.m.

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3216, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE ISLAND OF KAHŌ'OLAWĒ," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 719-06) recommending that H.B. No. 1809, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1809, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE DRIVER'S LICENSE," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 720-06) recommending that H.B. No. 1879, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1879, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VETERANS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 721-06) recommending that H.B. No. 1890, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1890, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Hale rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Hale's written remarks are as follows:

"In light of some concerns over the effectiveness and the viability of our Sister-State and Province relationships, this bill addresses the conclusions and recommendations of DBEDT as outlined in the State of Hawaii Sister State/Province Program Report (December 2002). The conclusions and recommendations are as follows:

1. The State should continue to pursue Sister relationships, for both cultural and economic development reasons, with attention to fostering the most productive ties.
2. In order to assure the productivity and viability of a Sister relationship, the State needs to establish a rigorous selection process, which would include the re-formation of the Hawaii Sister-State Committee and the re-utilization of the Sister-State application form developed by the Office of International Relations.
3. The State should strive to increase business opportunities through its existing Sister partners and through the creation of new Sister partners, and, wherever possible, the State should provide small businesses access to these opportunities.
4. Sister agreements should henceforth include a higher degree of specificity, including the responsibilities of each side: when, where, what.
5. The State should re-examine Sister Summit 2002 and follow-up with the most promising opportunities; moreover, the State should consider the possibility of a second Sister Summit: when and where.

"Your Chair of your Committee on International Affairs believes that by instituting the second recommendation aforementioned, all of the other recommendations will fall into place. It is my observation that successful Sister agreements require broad community input and support and that the institution of the Sister State Committee by the OIR provided a means to achieve this. Therefore, this bill seeks to re-establish the Sister State Committee attached to DBEDT, and if and when an Office of International Affairs/Relations is re-established the Sister State Committee can migrate to that agency, as it deems fit.

"This bill's companion, Senate Bill 3192 Senate Draft 1 is also going to be voted on today in the Senate and I welcome its passage and crossover to the House. As we go through the second half of the Session and prepare for Conference Committee, several issues emerge that will need to be discussed.

"First is the need to define membership of the re-established Sister State Committee. The original 5-member Committee now does not seem broad enough in community input and inclusion to effect the goals of its re-establishment. Five major constituencies need to be included: government, education, arts and culture, including Native Hawaiian cultural groups, business, and technical specialists in matters such as trade economy, international commerce law, peace and dispute resolution, foreign languages and tourism. In defining membership and the number of members, I err towards the side of greater inclusiveness.

"Second, we need to decide to what degree our open meeting requirements will apply to a Sister State Committee who will act in an advisory capacity to the Governor and the Legislature. It may be counterproductive to mandate that Committee members not be allowed to speak about Committee matters outside of the Committee when they will most likely be collaboratively working on projects and agreements outside. Actually, one of the reasons for the Committee is to create an environment for a critical mass of key people to discuss and devise ways in both the public and private sectors to keep our Sister-State program viable and pertinent and to leverage its full potential. Yet it is of utmost importance that we create and constantly maintain a transparent and open process in the development of the Committee's recommendations.

"And third is to fully define the function of the Sister State Committee. I envision a Committee that will be a strong and intelligent advisor on international relations, and a Committee whose membership is conducive to the mobilization of broad segments of the community to create tangible realities for our agreements.

"Essentially we are dealing with an issue of robustness and I intend to advocate for a robust Sister State Committee that will continue operating well under constantly changing conditions to provide for solid benchmarks of progress for our Sister agreements and to maintain a sensible and solid policy foundation for our State's conduct abroad."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1890, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SISTER STATE AND PROVINCE RELATIONSHIPS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 722-06) recommending that H.B. No. 2259, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2259, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, in support with reservations. This measure only applies to analysis of federal funds expended by the State. It would be far more beneficial if this fully looked at our bills and required fiscal notes for all of our bills. Thank you."

Representative Pine rose to speak in support of the measure with reservations, stating:

"Yes, Mr. Speaker, I also rise with some reservations. This bill creates positions of a Chief Operating Officer, a Chief Financial Officer, and an Executive for External Affairs and many secretaries for those positions within the DOE.

"The creation of a CFO of course for the DOE is definitely needed, but in my opinion I don't think these other positions are. The total cost for all positions created in this bill would be more than a half a million dollars."

Representative Meyer rose to a point of order, stating:

"Point of order. I'm not sure that the speaker is speaking on the bill that's before us."

Representative Pine responded, stating:

"Actually I am corrected, Mr. Speaker. But I also would like to speak on this measure though. I'm sorry someone just handed this to me.

Representative Pine continued in support with reservations, stating:

"I find it very interesting, Mr. Speaker, and it sounds like this is something that is definitely needed, but it seems that we have been every year, every Session, cutting the Governor's budget and increasing our own staff, and so I'm really am concerned about that. Thank you."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Stevens rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative M. Oshiro rose to speak in support of the measure, stating:

"Mr. Speaker, in strong support. Just for the record, we have not cut the Governor's budget."

Representative Meyer rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker I'm going to be voting no on this measure. This is something that we all have, I mean we've always supported the Legislative Analyst, but I think what we wanted was to get fiscal notes and to analyze each bill as to what it would cost. This seems to be targeted just for one thing. Just the federal funds and that includes a whole lot of departments. It seems like it's taking over areas that are normally handled by the Executive branch."

Representative Pine rose to respond, stating:

"Just a rebuttal, Mr. Speaker. I just wanted to clarify that since Governor Linda Lingle has been in office, we have cut many positions within her staff that were once provided to many previous Governors. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2259, HD 1, entitled: "A BILL FOR AN ACT RELATING TO OFFICE OF THE LEGISLATIVE ANALYST," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Meyer voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 723-06) recommending that H.B. No. 2443, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2443, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMERGENCY MANAGEMENT

ASSISTANCE COMPACT," passed Third Reading by a vote of 51 ayes.

At 9:20 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 9:22 o'clock a.m.

At 9:22 o'clock a.m., Representative Halford requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 9:23 o'clock a.m.

At 9:24 o'clock a.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 3216, HD 2	H.B. No. 1890, HD 1
H.B. No. 1809, HD 2	H.B. No. 2259, HD 1
H.B. No. 1879, HD 1	H.B. No. 2443, HD 1

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 724-06) recommending that H.B. No. 2446, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2446, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Marumoto rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I would like to vote for this bill to help Queen's Hospital, but would like to express a reservation. Very simply, I disagree with taking the money from the Hurricane Fund because I feel that once we start eating into this Fund it would be very difficult to stop with one bite. Then one of these days, we're going to turn around and say, 'We can't believe we ate the whole thing.' Thank you."

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I also have reservations. I believe in the trauma center, and Queen's needs it. However again, the Hurricane Relief Fund I believe is not the right source. It should be general funded. We also need trauma centers at other hospitals especially on the Neighbor Islands and this is just funding one hospital. Thank you."

Representative Finnegan rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. In support with reservations. Thank you. I was in the mortgage industry before becoming a legislator, and one of the things that we went through was the period of time when we were collecting for this Fund through the closing of mortgages. The argument that was made to me was that we needed it in order to help Hawaii's people be able to get mortgages, as well as sell property and buy property, that we needed to have this HRF in place. And I believe whole-heartedly that we did the right job by putting that in place.

"However that was a promise I believed to the homeowners that they will be protected in regards to getting insurance in the future should a hurricane hit which, it's a matter of time, when it will hit and how destructive it will be. So if we are going to discuss these types of things, let's make a commitment and talk about it with the general funds.

"The second point is we do have a trauma system report, and I don't have the name of the report by the American College of Health or something like that, and basically it talks about all the different challenges in our trauma system. At the point and time when we have a priority list and a plan as to how to go forth, I think that is when we should bring up how important this is. I believe it's important, but we have to take a look at a broader picture and plan and move accordingly."

Representative Thielen rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. My reservations are similar, and I'd like to have the words of the Minority Leader as my own," and the Chair "so ordered." (By reference only.)

Representative Meyer rose to speak in opposition to the measure, stating:

"Mr. Speaker, I'm voting no on this issue. I'm all for it. I think we need to support Queen's, and it's our only trauma hospital on Oahu and it's used all the time.

"I mean, it's so important, but again last year Queen's was asking for some financial assistance. I think with the surplus that we have, and the news this morning that we may have an additional \$50 million, it would be far more appropriate to use the general funds because this is something almost everybody needs. I think we are doing a disservice by taking money out of the Hurricane Relief Fund. We did that last year.

"This is an incremental thing. We're just creeping in there and we have to stop. So my no vote is not about helping Queen's Hospital, but it's a resounding no to taking money out of the corpus of the Hurricane Relief Fund. Thank you."

Representative Stevens rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Ching rose in support of the measure with reservations, and asked that the remarks of Representatives Finnegan and Meyer be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Caldwell rose to disclose a potential conflict of interest, stating:

"Mr. Speaker. I would like to just disclose a potential conflict. My wife sits on the Queen's Board," and the Chair ruled, "no conflict"

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2446, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR INCREASING POWER GENERATING CAPACITY FOR THE QUEEN'S MEDICAL CENTER," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Meyer and Pine voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 725-06) recommending that H.B. No. 2448, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2448, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Ito rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ito's written remarks are as follows:

"Mr. Speaker, I rise in support of Stand. Com. Rep. No. 725-06, HB 2448, HD2.

"Mr. Speaker, the purpose of HB 2448, HD2, is to direct the Auditor to retain a consultant to review all correctional facilities under the jurisdiction of the Department of Public Safety's Corrections Division to determine the cost of upgrading the facilities' surveillance systems. If as a result of the consultant's review, any upgrade of the surveillance system at any correctional facility will not only enhance the safety of the corrections' officers, but that of the inmates as well.

"Mr. Speaker, the Department of Public Safety testified in support of this bill.

"Mr. Speaker, I urge all of my colleagues to support HB 2448, HD2."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2448, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONAL FACILITIES," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 726-06) recommending that H.B. No. 2521, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2521, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Meyer rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I'm rising in strong support for Stand. Com. Report 726, Making an Appropriation for Community Anti-drug Fund. There's been a lot of articles in the last week about how our ice problem has not decreased at all. We're like, I guess number two under Oregon. We have a huge problem and I'm very pleased to see that we have this bill and it's moving forward.

"Everyone, every community must be doing all that they can. Prevention is the real key to keep the young ones from coming up. Getting caught up in the tentacles of this, of the drug scene, so I encourage everybody to vote in support of this bill. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2521, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COMMUNITY ANTI-DRUG FUND," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 727-06) recommending that H.B. No. 2595, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2595, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I have reservations on this measure. I'm all for inmates and their visitors getting together. I think this mainly arose out of Maui Correctional Center. The problem is there's no leeway for wardens really. I don't believe at least. It mandates that visitors have to be allowed to visit the inmates. I'm thinking of an inmate who struck an ACO just prior to the visitation, or who was caught maybe with drugs. A visitor who comes in who may be visually inebriated. There has to be some leeway.

"One of the other problems I think, the problem arose originally because people traveled long distances to get to Maui possibly, and when you get there you're turned away. I think some of that problem is a lack of ACOs on duty. And the ACOs may not be on duty because I think we all are aware that on Fridays and Mondays, it's hard to find ACOs. They try to take off. Those who are there are overworked. If it's on a holiday when many visitors would travel, same thing. ACOs want holidays too.

"So I think some of it is funding for ACOs. Some of it are things that can be worked out within DPS, but to just mandate that they must allow the visitor in is just going a little overboard. Thank you."

Representative Finnegan rose to speak in opposition to the measure, stating:

"Mr. Speaker, I rise in opposition with brief comments. I do have some similar concerns as the previous speaker. And I do realize that family visits are extremely important to the healing of families, as well as reintegration. But I don't believe that this is the mechanism that we should use in order to solve this problem.

"By voting for this bill, I kind of see it as, because of the lack of the wardens and the management to be able to use their discretion, by voting for this bill, I envision risking the safety of possibly other visitors, guards, inmates, or possibly the general public.

"So let's try and find different ways. If it does come back from the Senate in a changed manner that gives some discretion, I'd be in support of it. Thank you."

Representative Tanaka rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I rise in strong support. Family visits are an important aspect of the rehabilitation process. It is beneficial for inmates to have direct contact with their family, especially the young children. I know that some of my colleagues have their reservations about this bill because of the obvious problem of security issues at the prison.

"I have worked many years at the Maui Correction Center and it has been over 6 years since I have retired from Public Safety. In my tenure, this problem started to escalate from officers calling in sick. The reason was because of very low morale and too much overtime. During my time, if six to seven officers called in sick on one shift, it was bad then. At present, in a shift of 18 officers or more, we have about 15 officers calling in sick. This means you have to get officers to work overtime, and in that process they get burned out.

"Now to say prisons are closed because of these reasons, visitations on weekends and the holidays are affected by this problem, and the leadership of Public Safety is very bad. The problem was there for years and yet it was not taken care of then.

"Why should the family suffer because the problems were not rectified when Public Safety knew of the problems. They are still using the same excuse. Not enough security so their family suffers. Is this the way to run visitations in prisons? If one is to count, in the last 10 years how many directors we had in Public Safety? We need a permanent director in Public Safety so we can run in the right direction. Thank you, Mr. Speaker."

Representative Stevens rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I rise with some reservations. Thank you. I believe the wardens must preserve the authority to balance visitation privileges with the overall security of the facility. I understand there's inadequate staffing and I understand there have been many changes in the head of DPS, but only when the sound security of the facility is jeopardized due to unavailability of appropriate staff would the wardens reluctantly suspend the visits. So I think that this bill is

just trying to just get into the business of the wardens a little too closely."

Representative Cabanilla rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in strong support of this measure. I would like to say that our incarcerated brothers and sisters also have needs, and they also need their families as much as their families on the outside miss them too. I realize that there are issues that need to be addressed in this bill, and would like to see its passage so we can continue to work on it. That's a win-win situation for all of us.

"We all talk about ways to rehabilitate our inmates, and ways that we can improve them to be better citizens when they come out and be with us again. Having them in touch with their families and feeling that they're loved and cared for is one of the good things that they can benefit from with these visits. So I would like to see my colleague's work on improving the bill so we can all be happy at the end of the Session. Thank you."

Representative Ching rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I rise with reservations. Thank you. I see that the bill does address the idea of the humane nature of making sure that our inmates do have connection, and visitation from their families. And I can understand the value of that. But I do want to reiterate that if the premise that the prison, is not safe in terms of having enough security, and that measures are not taken to ensure that security guards are there, then we actually put those very family members at risk, and that is my concern."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2595, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FAMILY VISITS," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Finnegan voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 729-06) recommending that H.B. No. 1880, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1880, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I vote yes with very strong reservations. For many, many years as a citizen participant in this Legislature, I represented people from Kakaako and the business community, and we have all been very strongly against moving Piers 1 and 2 to the Department of Transportation.

"However with the changes in the Department of Transportation, Harbors, with more modernization of their implementation of their plans, I think we are starting to see the value of that.

"However, now to look at the Foreign Trade Zone, and transfer that to DBEDT, I personally have some very strong concerns on that move because again, once again, we are legislating and selectively carving out pieces of areas that we have given to an Authority for overall planning. So with that in mind, I'm still very strongly concerned but will vote yes."

Representative Stevens rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in strong support. This bill basically just returns the Piers 1 and 2 area to the same configuration or ownership

in the State that it originally had before the area was transferred to HCDA.

"The language that refers to the Foreign Trade Zone, it's a very complicated tax map key and that language really needed to be inserted in order to put the property back to the way it was before it was transferred. So I am in very strong support of this bill. It protects our important cargo handling facility and our maritime lands. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1880, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HARBORS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 730-06) recommending that H.B. No. 1922, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1922, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX," passed Third Reading by a vote of 51 ayes.

At 9:40 o'clock a.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2446, HD 2	H.B. No. 2595, HD 1
H.B. No. 2448, HD 2	H.B. No. 1880, HD 2
H.B. No. 2521, HD 1	H.B. No. 1922, HD 1

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 731-06) recommending that H.B. No. 2075, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2075, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, in support with reservations. Thank you, Mr. Speaker, I support the idea of bike paths. I support that it helps relieve congestion. It's better for the people that use it as far as health. So there's many reasons to have bike paths.

"What I have a problem with is this limit, the percentage in the measure, a fixed percentage. I believe it may limit the number of bikeways that we actually end up with. All the new roads have them. There's some federal guidance on this. Our new roads such as Fort Weaver, the widening, the new South Road, etc., they have bike paths. Fort Barrett Road widening is going to be designed with bike paths on both sides, etc. So that's all coming.

"In the past, I agree, in prior Administrations, it was possibly overlooked, but to have a fixed amount I think would hamper DOT from doing what they're doing. Maybe a percent, not less than such a percent, might work. But to say a fixed percentage, we actually limit them. I suggest that the Legislature sit down with DOT and find out what a good percentage might be. Thank you."

Representative Finnegan rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, with slight reservations. Thank you. I actually had the occasion to ride my bike from home to the Capitol, and it was kind of a frightening experience actually, so I'm really looking forward to investing in more bikeways.

"However I do share the concern with the previous speaker that it basically states a percentage, so it doesn't give the discretion to go over. Basically if you want to go more than 5% and you want to go 10%, it doesn't allow you to do that. So in case we have the urge to want to just have bike paths, bikeways all over the island, I'm sure that wouldn't fall within the percentage. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2075, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 732-06) recommending that H.B. No. 2214, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2214, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I'm all for reducing taxes at anytime. I like that aspect of the measure, but I do have some reservations. The reservations are that it was set to sunset anyway in August 2007. By sunsetting it now, we lose an estimated \$17 million from the Highway Special Fund.

"You know, that is money that has already been programmed by DOT for the projects that were mentioned concerning the other bill. Fort Weaver Road, North South Road, Fort Barrett Road, and by taking that money out we lose the four to one match of federal funds, so I'm not sure the DOT can just go on with what they have planned. They'll probably have to reduce, what is it, \$60 million or so in projects, and that means the delay of some of these much-needed projects. So that's my concern."

Representative Pine rose to speak in support of the measure with reservations, stating:

"Yes, just in support with reservations. Mr. Speaker, I have always been for tax cuts and against tax increases in general. However I guess when we look at the whole picture of what we've have done so far, and what we're going to do today it seems like the priority should be tax cuts."

At 9:44 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 9:45 o'clock a.m.

Representative Pine continued, stating:

"As I said, I have always been for tax cuts and especially against tax increases of any kind. However, when I look at the whole picture of what we're going to be doing today and what we've done so far, it seems like the priority for tax cuts should be more for the local people who are truly suffering in this State. That is my personal belief, where we should put our direction into, and this tax cut of 75% would go to tourists for breaks on renting a car. I don't see them suffering right now, so that's why I have reservations. Thank you."

Representative Sonson rose to speak in support of the measure with reservations, stating:

"I'd like my reservations be recorded, Mr. Speaker. I'm for exporting some of our tax liabilities. Thank you."

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

"In support. Mr. Speaker, maybe some of the previous speakers might want to take a look at what DOT's doing and why they aren't moving projects along.

"For example, there's money for fixing flooding conditions in Ka'u. That money is going to lapse in June. They haven't done anything about it. The bypass road around the hotel, it's been under contract with no notice to proceed for three years.

"If you take a look at all of our highway projects that are on the books and analyze what their status is, you'll notice that there's a good many of them that aren't proceeding, and many of them aren't even proceeding with a design. What that's going to mean is in two or three years, we got no construction work, and we have no match. There's where we're losing the federal match. Those that have a problem with what this bill says better take a look at just what DOT is doing, period."

Representative Ching rose in support of the measure with reservations, and asked that the remarks of Representative Pine be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Pine rose to respond, stating:

"Just a rebuttal, Mr. Speaker. I'm sorry. I don't think we should get into legislation to punish a particular department because we personally may feel they're not doing their job. Thank you."

Representative Finnegan rose to speak in support of the measure with reservations, stating:

"Thank you. Just slight reservations. I do want to see basically that we take a look at giving the tax cuts to the poor and the hard working. I'm not sure what's actually in Conference currently, and all of those things, but that's my reservation."

The Chair then stated:

"Representative Finnegan, you are out of order because this deals with the gasoline, or this is part of the Highway Fund. It's not part of the general fund. So you are out of order."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2214, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RENTAL MOTOR VEHICLE SURCHARGE TAX," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 733-06) recommending that H.B. No. 2423, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2423, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE HIGHWAY FUND," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 734-06) recommending that H.B. No. 2520, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2520, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE ROADS IN LIMBO PROGRAM FOR THE COUNTY OF HAWAII," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 735-06) recommending that H.B. No. 2637, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2637, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 736-06) recommending that H.B. No. 2715, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2715, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"Yes, Mr. Speaker, on 736 with reservations. I'm all for supporting police officers. There's nothing that can make me not support a group more, the public safety and the job they do. They put their life on the line all the time. I understand that.

"But I believe this is a matter of collective bargaining and it's part of their compensation package. It's a little resentful to have groups come here when they could bargain for what they want. They can't get it in bargaining so they say, 'Okay, we'll go to the Legislature.' If they don't get it from us, what are they going to do next? Go to the courts? I don't know, but go back and bargain for it. If it's that important they should be able to get it. Thank you."

Representative Finnegan rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in support. Thank you. I just have a question in regards to the legislation. It basically sets an allowance that goes from \$500 a year for an officer employed five years or less. Then it goes to \$700 for employment from five to ten years. Then \$1,200 a year for ten or more years. And when I think of maintenance or operations of uniforms and equipment, and all that other kinds of stuff, I just don't see where the difference comes from. From how long you've been in the department.

"So if there's a way that someone can explain this to me, as the weapons get older, do they cost more to maintain. I don't know. So I disagree with that part, but I will support the bill. Thank you."

Representative Caldwell rose to speak in support of the measure, stating:

"In strong support, with brief comments. This bill is designed, Mr. Speaker, with one purpose in mind and that's to increase public safety for all of us, and to do that we need to support our men in blue, and women in blue.

"They start off at a young age, unmarried, no families, in the service protecting all of us. And as they get older, they start a family, they look at either renting a place, buying a place, obtain a mortgage. The cost of living is extremely high here and we don't pay our police officers all that much compared to mainland jurisdictions. We've been told time and again by different police officers associations how we're losing our police officers to other jurisdictions and to other professions.

"This bill is designed, Mr. Speaker, to keep our police officers protecting us over the long term. That's why the amount of the credit increases over time, because you want to keep those men and women that are trained. That get better as time goes by. That know how to handle difficult situations. To have them continuing to serve in the force, and not lose them somewhere else. That's why it gets larger as time goes by. It's a good bill, Mr. Speaker, it's about public safety, and we all should support it. Thank you."

Representative Yamane rose to speak in support of the measure, stating:

"I stand in strong support, Mr. Speaker, with comments. Mr. Speaker, we talk about supporting our police officers and supporting public safety, so I looked it up in the Merriam-Webster Online Dictionary. This is what the definition of true support is, Mr. Speaker.

"It says, 'endure bravely; to promote interest and cause of; to uphold and defend the valid; to argue or to vote for; to pay the cost of; to keep from fainting, yielding, and losing courage; and to keep going.'

"That's what the definition of support is, true definition. So, Mr. Speaker, these officers dedicate and risk their lives to protect all of us. In 2004, there were 2,507 violent crimes on the Island of Oahu, and 44,000 property crimes as well. We have 1,970 officers to support all these needs.

"There was a question brought up on why we need to support this. They not only respond to these issues, they actually arrested 37,999 people in 2004. 7,500 of them were juveniles, Mr. Speaker.

"These people work all the time. They're on-call 24 hours a day, 7 days a week, risking their lives. If we want to protect our communities, reduce crime, attack drug usage, and promote the safety of Hawaii, we need to support our police officers. Truly support. It takes more than a sticker on your car, holding a SHOPO cup, or a pin. It means voting in support of this kind of measure. Thank you, Mr. Speaker."

Representative Souki rose to speak in support of the measure with reservations, stating:

"Yes, thank you very much, Mr. Speaker. I hate to be a 'wet towel', but I want to speak with some reservation on this bill. It is the great intention of the author of the bill, and the Chairman of the Labor Committee, and the Representative from Mililani who spoke quite eloquently about the need for this bill, however this belongs to the counties, and not to the State.

"The county has a lot of money that they make when they increase valuations, and some of that money can be used to purchase the uniforms. Thank you very much, my fellow colleagues."

Representative Waters rose to speak in support of the measure, stating:

"In true support. May I simply adopt the words of the Representative from Mililani. Thank you," and the Chair "so ordered." (By reference only.)

Representative Marumoto rose to disclose a potential conflict of interest, stating:

"A request for a ruling on a possible conflict. Mr. Speaker, I have a stepson who's a police officer," and the Chair ruled, "no conflict."

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I'm rising in support but with some strong reservations. I would like to adopt the words of the Representative from Kahului, the Speaker Emeritus. I think that it was just a few years ago that we passed a law that spelled out that we should stay out of collective bargaining areas, and this really looks like a collective bargaining measure.

"As the previous speaker said, the counties have quite a bit of money now that the valuations of real property has gone up as much as they have, and the police are their direct responsibility.

"I also have a problem with this scaled up amount that's in the bill. I think that actually, if you want to attract more police officers, you would have a bigger amount of money in the front end for the young ones coming in. I don't think there's any real relationship of these dollar amounts to the uniforms and the weapons. It seems like it's just sort of a bonus from how it was described by the Chairman of Labor. And so for those reasons, I do have reservations. Thank you."

Representative Finnegan rose to respond, stating:

"Thank you, Mr. Speaker, again in support. Again it's just the difficulty in what we say, and just being honest with what we're doing. If this is for maintenance and operation of officer's uniform, and equipment and weapons, then why is it different for how long you stay in?"

"Now if it's a recruitment tool or if it's a bonus, then we name it as a bonus, or we name it as a recruitment tool, but I don't agree with us going in and saying that it's for the maintenance and operation based on how long you were in, because that's not what it's for. You don't have to, at least I don't believe you have to, at least in the fire department, you don't have to submit receipts or something that says that you spent it on your uniform, or anything like that. It's basically untaxed from what I know. It's untaxed and it comes in as a uniform allowance or maintenance allowance or whatever

"And all I'm saying is let's just be truthful and honest. We can still support the police officer strongly without having these type of things in here that make us believe that it's for operations and maintenance of uniforms and gear and other weaponry. Thank you."

Representative Ito rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in strong support with short comments. Mr. Speaker, this is not a collective bargaining issue. This is a public safety issue. This measure will provide some monetary relief to help minimize the pay differential between Hawaii police officers and the mainland jurisdictions. It's a valuable tool for the retention of our police officers and help address the State shortage and address the issue for our police department. Thank you."

Representative Kanoho rose to disclose a potential conflict of interest, stating:

"Thank you, Mr. Speaker, I request ruling on a possible conflict. I have two sons in the police department," and the Chair ruled, "no conflict."

Representative Kanoho continued in support of the measure, stating:

"Thank you, Mr. Speaker. In support with the words of the Chair of the Public Safety Committee as my own. Thank you," and the Chair "so ordered." (By reference only.)

Representative Sonson rose to speak in support of the measure, stating:

"In support, Mr. Speaker, and may the record reflect that the opinion and words of the Chair of Public Safety to be entered in the Journal as my own.

"In addition, I believe that the money escalating as you go up, it does stop at a certain level. It does not, for instance the bill does not provide for the officers that are Captain or higher. So I don't think it's as much as a bonus as was best describe by the Chair of Labor.

"However if you could just imagine that the young officers when they just come in. \$500 to maintain is actually probably more adequate. Those who have been in a lot longer will have more wear and tear on their equipment. As they grow older, they get slower. They may need to have a bigger gun. As they sit and watch over us

in the communities, some of them do gain weight and yes their uniforms get bigger.

"I don't know, Mr. Speaker. But I know this money is not even sufficient to address all those issues that may come. The difference is not all that much, but I think it's reasonable to have a difference in the amount of money that goes to equipment because time does take a toll on the uniforms and equipment as time passes. Thank you, Mr. Speaker."

Representative Moses rose to respond, stating:

"Thank you, Mr. Speaker, last points here. I heard on the Floor from my colleagues that this is for retention. Another really good reason that it should be a matter of collective bargaining. They should raise the salaries, and they could raise the salaries with longevity raises also. But if we really want to help, let's give the counties part of our TAT tax and give them the adjudicated traffic fines. Then we're feeling like we helped and they can do it through collective bargaining. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2715, HD 1, entitled: "A BILL FOR AN ACT RELATING TO POLICE OFFICERS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 737-06) recommending that H.B. No. 1865, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1865, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

The Chair then addressed Representative Pine, stating:

"Representative Pine, is this the measure that you were speaking on earlier? Please proceed."

Representative Pine rose to speak in support of the measure with reservations, stating:

"Thank you so much, Mr. Speaker. I didn't have enough coffee yet, but yes, just in support with reservations. Mr. Speaker, of course this will allocate funds for a Chief Operating Officer and many other positions for a cost of more than half a million dollars, and my reservation is that last year we passed, in Act 51, when we passed it we passed it for a reason. To take the decision making away from the DOE and also to give the power to the schools, and it just seems like we're starting to give some power back to the DOE, just in my opinion, and at a time we're adding more administrative positions to the DOE, at very large salaries, when we're making cuts at the schools.

"We heard in the news that many schools are going to suffer from the Weighted Student Formula and in districts like mine where we're really excited about Act 51 and the Weighted Student Formula. We're being told, 'Sorry, you can't get the money that you deserve to help all the different types of students that you have.' And so those are my reservations for doing this right now."

Representative Finnegan rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, with reservations. Thank you, Mr. Speaker, as our colleagues that spoke right before me said, this appropriates more than a half a million dollars to solve a problem that the DOE Central is having, whether it be fiscal management, or external functions, or external communications.

"One of the positions that it funds is basically a CFO, or Chief Financial Officer. It is evident that we need a Chief Financial Officer for the Department of Education. The thing that I'm unsure

about is our COO, or the Chief Operating Officer, as well as the external affairs executive position. So I asked the DOE for an organizational chart to help me understand what DOE will look like if we invest more than a half a million dollars and what will they end up looking like. I was told that they don't have one, and so I have no idea what to envision for our DOE with this infusion of another half a million dollars, which leads me to not wanting to appropriate the money for these positions.

"By the way the external functions person has three secretaries, and the Chief Financial Officer has one. I understand this was a recommendation, I think it was recommendation of the Business Roundtable which I think for the most part, I do agree with a lot of the recommendations that they have made. But if it is, and the DOE doesn't know what to do with these positions which I'm unsure of either, I still don't think that we should just automatically fund these positions.

"And as the former speaker has mentioned, we're losing school level positions at this point and time because of not enough funds going into the Weighted Student Formula and I think that this is a disservice to the Weighted Student Formula. We should be talking about how we can infuse more money at the school level so we don't have to lose things like counselors, teachers, and librarians.

"The whole Act 51 was to turn it on its head and do a paradigm shift so that the Department of Education would listen to and provide the things that are most needed at the school level by connecting those dollars to the school level. If we're going to just go ahead and do this without asking questions, I think we're doing a disservice to the schools. Thank you."

Representative Takumi rose to speak in support of the measure, stating:

"Thank you very much, Mr. Speaker, I stand in support and hopefully some of my comments can at least address some of the reservations expressed by the previous two speakers.

"First of all, Mr. Speaker, this bill creates eight new positions within the Department of Education. The previous speaker was correct. There's a Chief Operating Officer, a Chief Financial Officer, and a Director, if you will, of External Affairs, along with support staff.

"I would urge the previous two speakers to take a look at the University of Hawaii and the way they operate. Just for the Department of External Affairs at the University of Hawaii, they have well over a dozen people staffing that office with a budget of well over \$2 million. That's just for the Department of External Affairs, and yet the Department of Education's budget is more than double that of the University of Hawaii, and they have almost 4 times as many staff people. So unless we're going to see a bill that repeals or eliminates the University of Hawaii's External Affairs Department, in my mind, that's acceptance at the higher ed level, they do need these functions. But I'm puzzled as to why at the K to 12 level, we do not.

"What would this external affairs person do? It's communications, it's military liaison, playing that role of working with our military. It's to build relations and deeper relations with business and other sectors of our community. It also improves the relationships at all levels of government, City, State, and federal.

"It's really baffles me, the ways that the Department gets knocked, and slammed, and pummeled all the time that they somehow don't have the ability or don't have the capacity to reach out to the greater community and explain what they're doing. This bill attempts to address that, and yet again there's criticisms.

"I've also heard that people say that maybe the principal should do that, because after all, the principal of the given school should really be the great communicator and go out to the greater community. I

would also urge my colleagues to just spend a day with the principal of any school and find out what they do on a day-to-day basis, and you tell me if these principals will then go out to the Rotary Clubs, and the Neighborhood Boards, and the community associations, and all the rest of it. Mr. Speaker, I do not think that it is something that principals should be mandated to do or charged to do. That should be something that the Department ought to do in a far more comprehensive way.

"Lastly, Mr. Speaker, the whole point about the Weighted Student Formula. I realize that's not the point of the bill, but it was mentioned by the previous speaker. As we all know, with the first iteration of the Weighted Student Formula of the 284 schools in our system. 140 supposedly lost money, but again, I would encourage members to look very deeply and critically as to why each school has been left with fewer dollars than they had previous to the implementation of the Weighted Student Formula. Of the 140 schools, Mr. Speaker, there are 140 reasons why.

"I'll just give one small example. If you look at a school like Kaimuki High School and Farrington High School. Kaimuki High School if I recall, has 1,279 students. Farrington has 2,579. This is last year's student count. In other words Farrington is double the size of Kaimuki. Kaimuki had eight full-time counselors. Farrington had nine full-time counselors. Which means in the real world, that a student of Farrington had to wait twice as long to access a counselor than that student at Kaimuki. Mr. Speaker, that's simply not the way we should run business. The business of our schools, Mr. Speaker.

"So on the one hand, some schools may see a reduction of their funds, but Mr. Speaker, there are reasons why that is happening. Thank you, Mr. Speaker."

Representative Finnegan rose to respond, stating:

"Thank you, Mr. Speaker. I actually agree a lot with the previous speaker, our Chair of Education, but the only problem that I have with this particular bill is that we don't have an organizational chart. Without an organizational chart, we can't tell what exists currently at the DOE; if there's nothing, or if there are supported positions under this external functions position existing, or are they going to plan it that way. How do we compare to UH, or a university, and how they staff their offices? But what this does right now, it just blindly gives money to establish these positions in the central bureaucracy, and in order for me to make a good prudent decision on whether or not I would like to see the money infused at the school level or in the DOE central area. That I would like to have some of that information. So it's just a matter of making a responsible choice. Thank you."

Representative Meyer rose in support of the measure with reservations, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Meyer's written remarks are as follows:

"Mr. Speaker, I'm rising in support with reservations. The DOE has long been criticized for its accounting practices. The Auditor has made critical remarks about their data system, budgeting practices, and their ability to provide information in a timely manner when requested by the auditing team. HB1865 will appropriate money to hire a Chief Operating Officer, a suggestion that has been championed by both the Hawaii Roundtable and the Honolulu Chamber of Commerce. The DOE is handling a lot of money, 40% of all general funds the State receives go to the DOE, 25% of the entire annual state operating budget goes to the DOE. In addition to that, depending on the year, the DOE is allocated 30%- 50% of all Capital Improvement Project funds. This year, that could be as high as \$300 million.

"I'm concerned with the number of new full-time positions this bill calls for. A Chief Operating Officer, Chief Financial Officer and maybe two secretaries will be okay, but this bill also calls for an External Affairs person and three more secretaries, 8 people in all

and \$500,000. I'd rather see more money go to the schools. We simply don't have enough information on the numbers of people and their positions who are presently doing this work. This bill establishes wages for these positions, all on the high side. I would rather see an incremental approach: hire a COO and a secretary and see what can be accomplished, in a year. Then, evaluate, make recommendations and set up new procedures. This approach is more conservative and will preserve general funds. Thank you, Mr. Speaker."

Representative Ching rose in support of the measure with reservations, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker.

"I rise with reservations on H.B. 1865 – Relating to Education. I support the intent of this legislation that addresses the long awaited hopes of students, teachers, families, and most of all, taxpayers. The bill creates a new permanent management structure in the Department of Education. A CFO in the Department of Education could play a critical role in determining business goals and the ability to meet them by maximizing resources and ensuring efficient operations from a financial perspective. This legislation presents an opportunity for the Department of Education to make the most of taxpayers' money and to properly administer the money flow.

"With 24,000 full-time positions, thousands more part-time positions, 268 properties across the State and a budget of over \$1.7 billion, the Department of Education is undoubtedly the State's largest and most complex enterprise. Educational systems today are faced with changing needs and growing demands, but on tighter budgets.

"H.B. 1865 will create a new permanent management structure, including a Chief Financial Officer (CFO) for the Department of Education that will help the Department of Education towards becoming a more operationally effective, fiscally transparent, and results-driven entity.

"However, it's imperative the Department of Education set expectations and create results."

Representative Cabanilla rose to speak in support of the measure with reservations, stating:

"I have reservations on this bill, Mr. Speaker, mainly because I'm one of those that support if there's more money to be infused in the Department of Education, I would like it to go to the classroom for smaller class sizes, more educational buildings, and more supplies for our schools. This half a million dollars allocates for more bureaucracy, and there may be a need for it. I'm not saying that. But I think that we should address those basic issues first before we address the bigger picture. Thank you."

Representative Thielen rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I'm rising with similar reservations as the previous speaker had. Mr. Speaker, I believe that this Department of Education is top heavy. That it could do some readjusting with the present staff that it has, and I believe that when we're in danger of losing our librarians, losing our wonderful theater program at Castle High School. Those are the things we should be supporting and using the money for, rather than adding to the bureaucracy at DOE. Thank you."

Representative Marumoto rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I like to vote on this measure with reservations please. I think eight positions is excessive. Thank you."

Representative B. Oshiro rose to speak in support of the measure, stating:

"I rise in support. Very briefly, I just wanted to point out that much of the recommendations were based on a Price Waterhouse Coopers audit that was performed, and it recommended that we establish this CFO position because what they found is that the Department Budget Director's scope of duties is much too broad.

"As to the other concerns about whether we need additional positions. I think much of the testimony stated by Hawaii Business Roundtable and the Chamber of Commerce of Hawaii saying that really, if we expect the Department of Education to act like a business and act like a corporation, we need to ensure that they have the proper support and positions in order to achieve that goal. Thank you."

Representative Evans rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1865, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF EDUCATION," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Stonebraker voting no.

At 10:12 o'clock a.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2075, HD 1	H.B. No. 2637, HD 1
H.B. No. 2214, HD 1	H.B. No. 2715, HD 1
H.B. No. 2423, HD 1	H.B. No. 1865, HD 1
H.B. No. 2520, HD 1	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 738-06) recommending that H.B. No. 1889, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1889, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Hale rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I would like to put written remarks in the Journal, but on the other hand I have one quote that I would like to point out, and this was from a former Ambassador at Nepal. She is now at the Institute for Global Chinese Affairs at the University of Maryland. She has put it in a way I think that can explain the purpose of this bill. She said:

'Hawaii is situated in the middle of the Pacific, understands firsthand that the Atlantic-Pacific economic shift has taken place. Isolated from the political and commercial power centers on the mainland, Hawaii has experienced firsthand American's Eurocentric prejudices. So who better than Hawaii, America's most multiracial and multicultural state, to guide America toward embracing the Pacific, as well as the Atlantic. What Hawaii has to offer is not only its geographic or natural beauty, but more important in the Pacific century, its people who's cultural and value affinities combine the best of the East and West. Hawaii offers a natural intellectual bridge between the cultural forces that border the vast Pacific.'

"She has put in, I think, the mission of the International Affairs Committee and she has stated this very well and therefore that is why our Committee believes it's necessary for the Administration to

reinstate the Office of International Affairs. The rest of my remarks will be in the Journal. Thank you."

Representative Hale's written remarks are as follows:

"Looking back through some of my files, I found a speech given by Julia Chang Bloch in 1988 on Hawaii seizing the initiative to make the twenty-first century, the Pacific Century, Hawaii's century. Ms. Bloch was assistant administrator of the U.S. Agency for International Development and was the head of its Asia and Near East Bureau. She went on to become the United States Ambassador to Nepal and is now Ambassador-in-Residence at the Institute for Global Chinese Affairs at the University of Maryland.

"With the rise of China and the Asia Tigers to join Japan, this new century will belong to the Pacific and not the Atlantic. This is already evident with East Asia being the most productive economic region in the world and its largest creditor, currently sustaining our federal government's massive debt.

"Ms. Bloch stated:

"Hawaii, situated in the middle of the Pacific, understands firsthand that the Atlantic-Pacific economic shift has taken place. Isolated from the political and commercial power centers on the mainland, Hawaii has experienced firsthand America's Eurocentric prejudices. So, who better than Hawaii, America's most multiracial and multicultural state, to guide America toward embracing the Pacific as well as the Atlantic. What Hawaii has to offer is not only its geography or its natural beauty but, more important in the Pacific Century, its people, who's cultural and value affinities combine the best of the East and West. Hawaii offers a natural intellectual bridge between the cultural forces that border the vast Pacific."

"It is for this, although rather grandiloquent reason, that we need to proactively embrace our international destiny, not only because we want to, but because we need to. As for why then we need an Office of International Affairs/Relations, someone gave a great analogy on this floor many years ago. Not having an Office of International Affairs/Relations they said, is like not having a lifeguard on the beach.

"Since the dissolution of the Office of International Relations in 1994 as a cost saving measure, it is true that the Department of Business, Economic Development, and Tourism (DBEDT) has taken responsibility for the former Office's functions. But under DBEDT, our State's international activities have greatly accelerated. Director Theodore Liu stated in my Committee that an Office of International Affairs would help him and his Department carry out our State's international activities more effectively. Unlike the Office of International Relations, the Office of International Affairs will not be attached to the Governor's office, but within DBEDT. The purpose of coalescing international activities under an office with an executive director is for the same reason that there is a tourism liaison in DBEDT. The Department director is only one person that must divide his or her time between all of the department activities. The tourism liaison solely handles the enormous burden of tourism issues that the department director used to handle as a slice of his total available time, thereby increasing the quality of public-private sector communication and coordination. An International Affairs executive director would provide a similar service.

"Perhaps in 1994, the true benefit of the Office of International Relations was not realized. I must say that our State was ahead of its time then, in establishing that office. But now, twelve years later, the effects of so-called globalization have really made us see that we cannot sit complacently and allow the world to overwhelm us. This year, a federalism issue on state sovereignty over procurement practices and the usurpation of it by international trade agreements negotiated by the United States Trade Representative highlights one important reason why we as a state need to invest in our international relations. We need to be more proactive in international trade

agreements that are infringing on state sovereignty more and more. We need to invigorate our sister-state agreements with broader community support and activities. Sister-state agreements are a perfect way to dialogue on and manage intra-border trade impediments in our sister-states to help our Hawaii businesses gain a competitive edge in international commerce. Our sister-state agreements more importantly counteract increasingly provincial sentiments across the globe and at home as globalization leaves people with a lost feeling of identity; an effect that may come to threaten world peace and our State's well being. We need to leverage our natural endowment as an intellectual bridge between East and West.

"I look forward to going to Conference again on this matter and I remain very optimistic about being able to report it out of Conference."

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I rise in support with concerns. This measure establishes the Office of International Affairs within DBEDT to coordinate and promote peace through improved economic, social, cultural, and scientific relations with other countries and its \$200,000 from the general fund.

"Of course with salaries, retirements, health, etc. It's going to be a lot more than that year after year. That's money that could be used for other purposes like tax relief or even to the schools.

"The real concern of this measure is that most of the functions included in this bill are currently coordinated and undertaken by DBEDT. Why are we establishing a new office when they already do it? It's DBEDT and they do it with a streamlined departmental structure with close partnership of other public and private sector organizations. DBEDT has a virtual Office of International Affairs, which includes international initiatives. DBEDT already has overseas offices in Taipei and Beijing, and the need for a new Office of International Affairs is unclear. Thank you."

Representative Cabanilla rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in strong support of this measure. We all realize that we live in Hawaii, an island nation in the middle of nowhere. And as much as we say we want to be sufficient, we are far from that. At this time, we are currently a state that relies too much on tourism. And with that we could like to our relationship with other countries. This bill will allow DBEDT to increase their efforts and expand their horizons, as far as our International Affairs Committee is concerned.

"I realized that there's only \$200,000 funded in here, but also on the same measure as the previous speaker said, DBEDT already has some functions that deals with this and it was annotated that this has a virtual office. If you know what a virtual office is, it's one of those that you go to the computer and click on and go search it. We want DBEDT to be more active in pursuing our role as an international state, and we would like their efforts to expand more. I'm not saying that they're not adequate, but I think the office there needs be improved. We at the Legislature should take part in making sure that every effort that needs to be undertaken through expanding the Hawaii center in the State needs to be explored. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1889, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF INTERNATIONAL AFFAIRS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 739-06) recommending that H.B. No. 1891, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1891, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, in opposition. Thank you, Mr. Speaker, this is in regards to the Special Education Facilities Fund and well, I'm in opposition. Any proposal to provide mandatory revenue diversion of funds bleeds the State's ability to fund priorities and could negatively impact the State's general fund financial plan.

"The other point in this bill is it says that currently, there's \$45 million. That is the minimum amount to be placed in this Fund. If it states that it's the minimum, then I'm sure that we need to raise it or need to adjust it because it already states that that's only the minimum, so I'm sure there's another mechanism that would say how much we can put in there. I also have a concern that the bill states an undetermined amount of GET revenue will be automatically diverted to the special fund for cash funded repair and maintenance of schools. This could mean hundreds of millions of dollars of GET revenues lost from the operating needs of the State. This could be very harmful because of the importance GET revenue serve to the State's overall fiscal health of operating expenses.

"The Act 51 interagency working group. I read some notes that were just basically saying that they weren't sure why we even need this SEFI funds right now and so I'd like to look a little more deeply into that as well. I think that the SEFI Fund should be repealed. The automatic set aside money for this Fund restricts budget flexibility. And one of the main things that this Fund does is it does not lapse. The money that's in it does not lapse and I think that kind of creates a disincentive to get projects done on a timely manner and that's why we have the type of restrictions on time that we do now for our bonds and CIP funds.

"This year the DOE requested all of the R&M and CIP appropriations to be either in SEFI bond funds or SEFI cash funds, and I see that it's an admission that they do lack some capacity which is the very reason that we must continue to appropriate R&M and CIP money in a responsible and reasonable way. Thank you."

Representative Marumoto rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I have reservations on this measure also. And they're much along the lines as the previous speaker, but the DOE facilities fund gives the Department \$45 million, or in this case it's a blank amount, and spend as high as \$90 million in the past. These are earmarked funds, and they simply have to sit back and wait for the money to flow to them. But what is really frustrating to many of us legislators is that sometimes they're given an additional amount of money, and there still is a balance from the previous year.

"I bring to your attention the fact that in 1991, the State Auditor said that there was no nexus between the user benefits and user charges and recommended that the Fund be repealed, and that educational facilities should be funded through the normal capital improvements process. I think we should re-look at the validity of this Fund and more importantly, the public should recognize that we are attempting to circumvent the general fund expenditure ceiling with this measure, and these types of measures. These funds, once earmarked, will never be charged as expenditures against the general fund spending limit. I think we should look at this very carefully. Thank you."

Representative Stevens rose in support of the measure with reservations, and asked that the remarks of Representatives Finnegan

and Marumoto be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Ching rose in support of the measure with reservations, and asked that the remarks of Representatives Finnegan and Marumoto be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Meyer rose in support of the measure with reservations, and asked that the remarks of Representatives Finnegan and Marumoto be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Pine rose in support of the measure with reservations, and asked that the remarks of Representatives Finnegan and Marumoto be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Takamine rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I rise in strong support. I guess this is just for clarification, Mr. Speaker. But in listening to the concerns that have been raised by the earlier speakers, I think you will recall that historically this special fund was established because as a policy matter, the Legislature wanted to say very loudly and very clearly, that having a safe and healthy environment to provide maximum opportunity for the most qualified educational experience is a priority in this State.

"We have gone through a whole history from agrarian times, the kind of struggles that immigrants first experienced, and they saw education as the way to allow their children not to have to go through the same struggle and all of that.

"That has been a historical tradition and we recognized it to the point when we saw ceilings falling on children, that was something we should never tolerate. Given that, this fund makes a lot of sense because if, as happened this past year in the last legislative Session, we passed \$95 million for a new courthouse in Kapolei. In less than a year we're told that it's going to cost \$48 million more. So now the Judiciary has to come back here. Unless they get that, there is no way that that structure will be built.

"Similarly, if we look at all of the needs in the DOE and if they had to go through every instance where they have a large project come to a halt because of post-Katrina circumstances, that's something that we cannot control. Yet these are the kinds of mechanisms that were put into place in the past learning from history so we can address those needs that we have considered priority, Mr. Speaker. In light of that, this provides for that function and should be supported. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1891, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Finnegan voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 740-06) recommending that H.B. No. 2179, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2179, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Abinsay rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, on House Bill Number 2179, HD 2, in strong support. Thank you, Mr. Speaker, and very briefly the purpose of this measure is to establish the Irrigation Repair and

Maintenance Special Fund. This also establishes a tax credit for matching funds provided by the owners who receive funding from this special fund. It also appropriates funds for various irrigation systems and for this special fund, Mr. Speaker.

"Mr. Speaker, I would like to just mention that this measure is indeed very, very important. Last legislative Session, we did pass a measure trying to implement some of the major components of Article XI, Section 3 of our Constitution to conserve and protect agricultural lands. We did that by passing the measure last Session after almost three decades, by identifying important agricultural lands.

"This measure at hand right now is indeed testimony that we as a Legislature recognize the importance of agriculture. When I see that we are pouring millions of dollars to repair our irrigation systems, it is indeed conveying a message to the public that we are indeed in support of the agricultural industry. I'd like to say that maybe the message we're trying to convey here is recognition that we're also giving hope.

"Hope not only for the people who are working so hard out there, the farmers, but hope also for our children. Our children that they will eventually find that we as a Legislature recognize the importance of the agricultural industry. Because of that, I would like to just mention that as we recognize the difficulty of being a farmer, we are also creating opportunities for them to make sure that we do recognize their sacrifices. We do recognize their contributions to our economy. We do recognize the importance of what they're doing. But most importantly, recognizing the future, and the future is about again, conveying to our children that hopefully they will find a way to convey this message, or maybe find a way to have some kind of interaction with their parents who are doing the agricultural work. Who are farmers, but they will find out what's going on and hopefully they will be encouraged to attend school and take up some agricultural subjects.

"So again, Mr. Speaker, in recognition of once again, as we recognize agriculture, we also recognize that without water there's no such thing as agriculture. Thank you."

Representative Kanoho rose in support of the measure and that the remarks of Representative Abinsay be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

Representative Kawakami rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, on the same measure I'd like to say that I'm in strong support of this measure because it establishes the Irrigation Repair and Maintenance Special Fund. How does it affect Kauai?

"The East Kauai irrigation system plays a very important role in the drainage of the Wailua residential area, as well as the area surrounding the Wailua State Park. One of its ancillary benefits is the ground water recharge to the Wailua State Park Fern Grotto. I'm sure many of you have been there. We must ensure that our vital irrigation systems are fully functional for agriculture and drainage, as their loss will be catastrophic to our State and all of our residents. Thank you very much, Mr. Speaker."

Representative Carroll rose to speak in support of the measure, stating:

"Mr. Speaker, in strong support. I would like all the words of all the previous speakers on this measure, and also note that the Molokai irrigation system, the farmers on Molokai depend on that system for their economic development. Thank you."

Representative Harbin rose to speak in support of the measure, stating:

"Mr. Speaker, I stand in very strong support of the measure. However as a word of caution, as we all know I'm raising the bar of concern because as we go forward with these wonderful measures of tax credits and SPRBs, while we at the same time are going forward with expanding the definitions of Chapter 104, I am so concerned that the Legislature will taketh what it's giving.

"We could very easily if we continue on this trail of the Chapter 104 expansion, price ourselves right out of the market where these repairs and maintenance improvements cannot be done because of the additional burden on regulations and additional costs of 20% to 30%. I hope that we will eventually come to some type of understanding of how can we do this without increasing cost. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2179, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 741-06) recommending that H.B. No. 2180, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2180, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Waters rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Waters' written remarks are as follows:

"Hawaii is currently experiencing one of the greatest shortages of employees in the construction industry and thus, the demand for qualified construction workers is at an all time high. Notwithstanding the current construction demand for workers, nearly 1,200 jobs per year need to be filled by qualified construction workers.

"In an effort to address the significant shortage of employees in Hawaii's construction industry, the Construction Academy is a partnership among the University of Hawaii Community Colleges, the high schools of the Hawaii State Department of Education, unions, and industry representatives in Hawaii's building and construction industry. The goal is to increase the number of high school graduates entering careers related to the industry by establishing a Construction Academy that teaches multiple disciplines in a small learning community environment, including, the integration of technical skills training with the related areas of math, reading, and job readiness/employability skills, and to articulate said training with certificate and degree programs at the community college, thereby allowing students to earn dual credit for Construction Academy classes taken in high school."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2180, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LABOR," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 742-06) recommending that H.B. No. 2277, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2277, HD 2, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR CLAIMS AGAINST THE STATE, ITS OFFICERS, OR ITS EMPLOYEES," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 743-06) recommending that H.B. No. 2540, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2540, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR INCREASING STIPENDS FOR VOLUNTEER PRECINCT OFFICIALS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 744-06) recommending that H.B. No. 2625, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2625, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNIFORM STATE LAWS," passed Third Reading by a vote of 51 ayes.

At 10:30 o'clock a.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 1889, HD 1	H.B. No. 2277, HD 2
H.B. No. 1891, HD 2	H.B. No. 2540, HD 2
H.B. No. 2179, HD 2	H.B. No. 2625, HD 1
H.B. No. 2180, HD 2	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 745-06) recommending that H.B. No. 2947, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2947, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, rising in opposition. Thank you, Mr. Speaker, I believe Section 5 of this bill violates the State Constitution. The requirement there is that the allotment to the counties must be timely, fully and completely released to the counties before the Governor can release any moneys to the Department of Labor. And also, it takes appropriations from Reed Act funds, and this operates as a legislative intrusion into the Department's executive decision-making power.

"Secondly there is another problem with this bill. Section 3 of the bill repeals an Act that does not exist, and this is based on an Attorney General's opinion. February 27, 2006. He stated that the needed problem with this bill is that last Session, Senate Bill No. 813, was vetoed by the Governor. The proclamation contained a clerical error that the Attorney General's office concluded in opinion number 0502 did not affect the validity of the veto. Thus it is the Attorney General's opinion that Senate Bill No. 813 was vetoed and did not become law even though it was assigned an Act number, Act 249, and printed in the Session Laws. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2947, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," passed Third Reading by a vote of 47 ayes to 4 noes, with Representatives Finnegan, Meyer, Moses and Stevens voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 746-06) recommending that H.B. No. 3068, HD 2, as amended in HD 3, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3068, HD 3, pass Third Reading, seconded by Representative B. Oshiro.

Representative Karamatsu rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Karamatsu's written remarks are as follows:

"I rise in support. With the drastic increase in urban development in Central and Leeward Oahu, valuable agricultural lands must be protected. The Kunia agriculture lands bounded by Farrington Highway to the South, Kipapa Gulch and Kamehameha Highway to the East, Wheeler Airforce Base and Schofield Barracks to the North, and Makakilo Drive, the Makakilo residential urban district, and the Honouliuli forest reserve to the West is considered to be one of the best, if not the best agricultural lands in the State.

"House Bill 3068 would establish the Kunia Special Agricultural District (District) and require the Agribusiness Development Corporation (ADC) to acquire public and private lands within the District for the development of agricultural projects and project facilities. The measure appropriates funds into the Hawaii Agricultural Development Revolving Fund to enable ADC to carry out this mission. Lastly, there is a low interest loan program in this bill to help entrepreneurs in the agricultural industry."

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I'm rising with reservations. A great deal of the original bill contained part of my district. It has deleted that in the current version, but it did contain a great amount of territory of my district. Even though that's removed now, there's just no discussion so far, it needs further discussion and examination of what the exact boundaries would be. But there's no specific boundaries designated in the current draft of this bill, and I just want to point out that to date, nobody in this Body has talked to me about this measure. Thank you."

Representative Karamatsu rose to respond, stating:

"Mr. Speaker. Just want to clarify, in support. The original boundaries were stated in the first draft of the bill, the original bill. That was removed for further discussion. The Attorney General has agreed to the original boundaries as stated in the first bill; the original draft."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3068, HD 3, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 747-06) recommending that H.B. No. 3154, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3154, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Evans voting no.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 748-06) recommending that H.B. No. 861, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 861, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in support of the measure, stating:

"Mr. Speaker, I stand in strong support of 748. I just wanted to thank my colleagues for allowing this bill to have a very slow process to being passed, but I think bills such as these will send a very resounding message to the small business community that we in fact are friendly to them. This will bring parity with the regular C Corporations when it comes to workers' comp for owners. So I beg you all to vote so that we can have a positive measure go forward."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 861, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 749-06) recommending that H.B. No. 1899, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1899, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Marumoto rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I rise in favor of this measure. It will require all minors to wear helmets when riding mopeds. I first introduced a similar bill in 1995 that required helmet use for all motorcycles, motor scooters, and moped riders, but it failed to make it into legislation. It died again in 1997, so I began to support a modified version, which required only minors to wear helmets while riding two-wheel vehicles.

"Unfortunately each year it was introduced it never made it out of Committee, but this year it looks like it's moving out. Often it takes years to implant a concept and mandatory helmet use is one of those ideas.

"It's controversial, it's one reason why it has not been immediately accepted, but it's important and one day it will work its way into legislation. From my years at the Legislature, I know that it's easy to kill a bill, but it's impossible to kill an idea. Helmet use is an important issue. It is a health and safety issue. It is a health and insurance cost issue. It is a rational issue.

"Helmets are important despite those who claim the opposite. If not, why do 20 states and the District of Columbia have mandatory helmet laws covering all riders. If helmets are not an important safety device, why do race car drivers, pilots, skiers, football players, baseball players, hockey players, lacrosse players all wear helmets? Any player's union like the NFLPA, National Football League Players Association, would be outraged if it were not required. While moped driving may not be a sport, one can assume that a teenager riding a moped at 30 miles per hour with larger and faster vehicles on the road runs an inherent risk for head injury.

"In the late 1990s, Kentucky and Louisiana repealed their universal motorcycle helmet laws. Statewide survey showed that helmet use decreased from nearly full compliance to the 50% range when they did not have the law. The rate of motorcycle fatalities per 10,000 registered motorcycles increased by 37% in Kentucky, and 75% in Louisiana. Injuries also increased. Experience in Kentucky and Louisiana reflects the same experience in Arkansas, Florida, and Texas and other states that repealed universal laws, leaving little doubt that no helmets result in more death and injuries.

"So while we at the Legislature may not be the NFLPA and our teenagers may not be our football players, we are the advocates for our people and we must insist on their safety. Mahalo."

Representative Lee rose in support of the measure and asked that the remarks of Representative Marumoto be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Ching rose in support of the measure and asked that the remarks of Representative Marumoto be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I have some reservations on this measure. I really believe that it's the parents who should decide whether their children should wear helmets and not the Legislature.

"We can pass all the laws we want and we do. We have you know hundreds on the books but the police are already unable to enforce the helmet for kids on bicycles and this just creates another area where we're asking them to do something more. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1899, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE USE OF SAFETY HELMETS BY MINORS," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 750-06) recommending that H.B. No. 1939, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1939, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 751-06) recommending that H.B. No. 1982, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1982, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative B. Oshiro rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative B. Oshiro's written remarks are as follows:

"For twenty-two years now, Hawaii's residents have been proud to call the little, eccentric, pug-nosed fish with the ridiculously long name our State fish. It has proudly represented our great state along with the *kukui*, our State tree, the yellow hibiscus, our State flower, the *nene*, our State bird, and the humpback whale, our State mammal. It is only fitting that we allow the *humuhumunukunuaapua*'a to take its rightful place as State fish, and allow it the permanence it deserves.

"When Joel and Dane Itomura came to me with the question, "Why isn't the *humuhumu* our State fish anymore?" I thought they were joking. But they weren't, and it was their aspiration to see that their favorite fish be reinstated. These two little boys did their research, wrote testimony, and even came to the Capitol to testify before the Committee on Judiciary. Their resolve and commitment to this piece of legislation has been wonderful, and I hope that my fellow Members of the House of Representatives will join me in supporting this important bill."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1982, HD 2, entitled:

"A BILL FOR AN ACT RELATING TO THE STATE FISH," passed Third Reading by a vote of 51 ayes.

At 10:40 o'clock a.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2947, HD 2	H.B. No. 1899, HD 1
H.B. No. 3068, HD 3	H.B. No. 1939, HD 2
H.B. No. 3154, HD 2	H.B. No. 1982, HD 2
H.B. No. 861, HD 2	

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 752-06) recommending that H.B. No. 2057, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2057, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 48 ayes, with Representatives Cabanilla, Marumoto and Yamane being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 753-06) recommending that H.B. No. 2397, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2397, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Stevens rose to speak in support of the measure, stating:

"In strong support, Mr. Speaker. This bill clarifies the responsibility for cleaning up and removal of grounded vessels. In my experience, grounded vessels also have a 'golden hour'. The sooner action is taken to remove them, the less chance of pollution to the environment, and the potential damage to the vessel is lessened if it's removed from its grounded position very quickly.

"I would also like to note that the Senate has a similar version of this bill that also includes a 'Good Samaritan' provision. This provision protects boaters who offer immediate assistance to a grounded vessel from liability, and as this bill hopefully makes it to Conference, I would like to see maybe a similar provision added to it, but I really appreciate this bill passing out of our House today. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2397, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GROUNDED VESSELS," passed Third Reading by a vote of 48 ayes, with Representatives Cabanilla, Marumoto and Yamane being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 754-06) recommending that H.B. No. 2422, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2422, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," passed Third Reading by a vote of 48 ayes, with Representatives Cabanilla, Marumoto and Yamane being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 755-06) recommending that H.B. No. 2708, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2708, HD 2, entitled: "A BILL FOR AN

ACT RELATING TO ADVERTISING," passed Third Reading by a vote of 48 ayes, with Representatives Cabanilla, Marumoto and Yamane being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 756-06) recommending that H.B. No. 1955, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1955, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LITTER CONTROL," passed Third Reading by a vote of 48 ayes, with Representatives Cabanilla, Marumoto and Yamane being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 757-06) recommending that H.B. No. 2343, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2343, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PENAL CODE," passed Third Reading by a vote of 48 ayes, with Representatives Cabanilla, Marumoto and Yamane being excused.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 758-06) recommending that H.B. No. 2639, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2639, HD 2, entitled: "A BILL FOR AN ACT RELATING TO USE OF INTOXICANTS WHILE OPERATING A MOTOR VEHICLE," passed Third Reading by a vote of 48 ayes, with Representatives Cabanilla, Marumoto and Yamane being excused.

At 10:41 o'clock a.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2057, HD 2	H.B. No. 1955, HD 1
H.B. No. 2397, HD 1	H.B. No. 2343, HD 1
H.B. No. 2422, HD 1	H.B. No. 2639, HD 2
H.B. No. 2708, HD 2	

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 759-06) recommending that H.B. No. 2857, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2857, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Ching rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I rise in strong support of House Bill 2857. Thank you. This bill seeks to expand protection of the 38,000 historical properties in our State by establishing civil and administrative penalties for intentional violations of an approved mitigation plan for any historic property, aviation artifact, or burial site located on private property.

"In the past, DLNR did not have administrative tools needed to impose financial penalties against individuals who destroy historical properties they agreed to preserve. By authorizing the Department to seek up to \$10,000 in administrative and civil penalties against any individual who knowingly violates approved mitigation plans, this bill is the solution.

"Increased developments statewide warrants this bill, and insures that our future generations have access to the historical and cultural sites that our communities treasure and make Hawaii so unique. I ask my colleagues to support this important measure. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2857, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 760-06) recommending that H.B. No. 2885, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2885, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Sonson rose to speak in support of the measure with reservations, stating:

"On 760, I am in strong support, however I have some reservations and I hope that it can be improved some. The bill before us is a way to ensure that children will have no access to pornographic materials, if they happen to be dragged in there with their parents into these stores.

"About 10 years ago, Suzie's, or Suzie Q I believe, an adult entertainment store opened up in Waipahu right on central Farrington Highway. I haven't been there, but ... No really, I haven't. But I can imagine that if parents were to take their kids in there, all this bill says is that the establishment will put or segregate the items out into a separate area.

"Well if it's segregated and curtained off, that just provides a private viewing place for children. It should actually say that the establishment shall not allow 18 and under into that particular section. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2885, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ADULT ENTERTAINMENT PRODUCTS," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 761-06) recommending that H.B. No. 2968, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2968, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INTEREST RATES," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 762-06) recommending that H.B. No. 3257, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3257, HD 1, entitled: "A BILL FOR AN ACT RELATING TO USE OF INTOXICANTS," passed Third Reading by a vote of 51 ayes.

Representatives Herkes and Luke, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 763-06) recommending that H.B. No. 1417, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committees be adopted, and that H.B. No. 1417, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Magaoay rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Magaoay's written remarks are as follows:

"Thank you Mr. Speaker. Mr. Speaker, I rise in support of House Bill 1417.

"Mr. Speaker, this bill will serve to mitigate frivolous claims, and help to improve the professional liability insurance against design professionals. It will assist in providing fairness, equity and justice in our legal system with regard to design professionals. As a case in point, a few years ago, a firm was dragged into a slip and fall claim at a local public facility. As a result of this claim, the firm spent a great deal of time and money to defend its position, and after a great deal of litigation was released from the claim. From a common sense viewpoint, it was strange that a structural engineering firm was named in the claim that had no merit. To the structural engineering firm it was a claim of slip and fall.

"Mr. Speaker, design professionals in both the public and private sectors are regularly faced with lawsuits for injury and damages resulting from facilities which were constructed from plans bearing their signatures. In the vast majority of cases, the professionals have made no error or omission that could be traced to their responsibility for the injury or damage claimed.

"Acceptance of House Bill 1417, will provide quality control of frivolous claims against design professionals, and increase professional liability and integrity. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and H.B. No. 1417, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DESIGN PROFESSIONALS," passed Third Reading by a vote of 51 ayes.

Representatives Herkes and Luke, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 764-06) recommending that H.B. No. 2192, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2192, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Lee rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of this measure.

"This bill will amend Hawaii laws concerning narcotics prescriptions to be consistent with federal law by making several clarifications to Chapter 329. The bill is quite technical in nature, but in essence it will clarify how prescriptions for narcotics must be written by physicians, and how they are transmitted to and filled by pharmacists.

"As it stands now, there are times when verbal instructions are given to pharmacists by State officials after pharmacists raise questions about particular narcotics prescriptions. In our litigious culture, pharmacists are increasingly concerned about liability that could result should the prescription process be abused when a pharmacist was following verbal instructions in good faith. I'm quick to acknowledge the fact that narcotics prescriptions are vulnerable to abuse, so the pharmacists' concerns about properly filling these prescriptions have merit.

"However, it's also important to remember that when there is confusion during the filling of a narcotic prescription and a pharmacist chooses to be cautious that the net result is a patient, who may be in great pain, will be unable to have his or her narcotic prescription filled. This unfilled prescription situation is precisely what the bill before us would seek to remedy.

"I urge my colleagues to support this measure. Thank you very much, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2192, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 765-06) recommending that H.B. No. 1860, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1860, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan rose to speak in opposition to the measure, stating:

"Mr. Speaker, in opposition. Mr. Speaker, I voted in favor of this measure in the Education Committee, and since then it's just kind of sat with me and I just didn't feel right about it. It's because of the whole Act 51 and trying to get money to the school level. I really hate to make this hardline like, nothing for DOE, but I really do believe that if we are going to try and push, trying to let go of some of the programs that we force DOE and these schools to have, to let go some of the categorical funds so that they have the flexibility to do what they need at the school level, and to really embrace the Weighted Student Formula for what it is, and allowing the central bureaucracy or the central level to basically provide the needs that are priorities for the school level, then we need to say no to things like these.

"I believe the website and the maintenance and the upgrading of the website for the Department of Education are extremely important, and that's why I voted yes originally. But what this does is it says, I'm making the decision, that this more important than something that they could have at the school level, and I'm not sure. Why don't we let that be the deciding of how the schools decide on how to spend this kind of money?

"If it means even \$10 or \$100 that a school needs to give up or use to pay for website services then so be it, but let them decide because they could have used that \$100 for, I don't know, some kind of school supplies or something that they think that is more important at the school level.

"I hate to make these hardline choices on these types of things, but I also do need to, I do need at this point to stand up for them and say that we need to be moving in the opposite direction. A direction that gives them more empowerment and more authority to say what their priorities are at the school level. Thank you."

Representative Takumi rose to speak in support of the measure, stating:

"Mr. Speaker, I stand in support. There seems to be a misunderstanding about what exactly this bill does. You know, Mr. Speaker, if you were to look at the corporate world, take First Hawaiian Bank with their many branches, or Longs Drug Stores. I suppose each branch or each store could come up with their own website and people could access that and so on, but I suspect it's far better and far more efficient if the corporate body has a website that anyone can access and get information about any individual store or branch.

"This is no different. I don't know if any of you have been to the Department of Education's website. On one hand it's okay, but what this bill would do is provide additional resources so that they'll be able to aggregate data, dis-aggregate data, and provide that to the greater community. If you want to know what's going on at Hookena Elementary School on Big Island, or Mauna Loa on Molokai or Nanaikapono on the Leeward coast, you can, and should be able to, access that information in a very easy and transparent way.

"I am just puzzled. Again, when we talk about, 'let's put all the money into the classroom, into the individual school', without the realization that it does take a certain amount of coordination and that coordination has to come from so-called, fat, bloated, top-down autocratic, bureaucratic bureaucracy. Thank you, Mr. Speaker."

Representative Herkes rose to disclose a potential conflict of interest, stating:

"Thank you, Mr. Speaker, I ask for your ruling on a potential conflict. My wife works for the company that does the fact track," and the Chair ruled, "no conflict."

Representative Finnegan rose to respond, stating:

"Yes, Mr. Speaker, I would like to say that, a lot of these things I do agree with the former speaker, our Chair of Education. The only problem that I have with this is that yes, they shouldn't be making, the Department shouldn't be making their arguments to us. They should be making these arguments that they need this coordinated system with the schools, and when they understand where this money is being spent, they would more appreciate what they're given as well.

"I'm not saying that we shouldn't have this done. I'm just saying, 'Who do we ask?' That's all. And we should be asking the school is this a priority for them."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1860, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Cabanilla and Finnegan voting no.

At 10:50 o'clock a.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2857, HD 1	H.B. No. 1417, HD 1
H.B. No. 2885, HD 2	H.B. No. 2192, HD 2
H.B. No. 2968, HD 1	H.B. No. 1860, HD 1
H.B. No. 3257, HD 1	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 766-06) recommending that H.B. No. 2147, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2147, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DROUGHT MITIGATING WATER STORAGE FACILITIES," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 767-06) recommending that H.B. No. 2421, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2421, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PERFORMING ARTS BUSINESSES," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 768-06) recommending that H.B. No. 2587, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2587, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Berg rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I vote with reservations on this one. This draft is a great improvement from what left our Committee. My concern is that we are still focusing in on ways to make the fishing supplies, increase our fish population. We're so focusing on strategies that have to do with fishing, and we're not talking about our activities in the waters as well, that impact like feeding fish that tour companies go in and feed the fish wheat bread and lettuce and cause the illness of fish.

"So I would hope that when this comes back, that we will look more deliberately about those kind of details. There are some phrases here in the bill that indicate that the Chair and the Committee did hear from the community that having Hawaiian traditional strategies as a means of assessment, as well as measurement should be integrated. I'm hopeful that when the DLNR reads this that they will look at the variety of methodology, not as many different majority culture strategies, but also from the existing practices that we have here in Hawaii. Thank you."

Representative Green rose in support of the measure with reservations, and asked that the remarks of Representative Berg be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

Representative Kanoho rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in support. Mr. Speaker and Members, for the past five years we've been trying to pass legislation which would statutorily encompass a policy in our statutes to comply with the State Constitution and that would be to establish statutorily, marine managed areas through a community-based management process. Your Committee on Water, Land and Ocean Resources did conduct 13 public hearings throughout the State receiving much support for the concept, and there was also vehement opposition from the fishing community.

"Primarily because while the concept of community-based management seemed fine, it appears that the ten marine managed areas established, the ten marine life conservation districts established which represents fishing 'no take' areas, except in the two instances where fishing by pole line is permitted, that the establishment of 'no take' areas, albeit through the community-based management process, resulted in 'no take' despite severe objections from the fishing community.

"So while it seemed appropriate that we should statutorily provide for this policy, to read the Constitution, in reality it has amounted to closures without full consideration of the fishing community, which ultimately ended up with the efforts in the five previous years that the bill would not pass.

"So this at best represents the compromise between another bill, which would have prohibited the establishment of marine managed areas even through the current rule making process. Even with this bill, the Department through its Aquatic Division can still establish marine managed areas including marine life conservation districts through rulemaking process.

"This is a compromise bill, 'middle of the road' approach to help the Department to increase fishing and our depleting fish population by providing funding for additional enforcement which was

promoted by both sides of the fence, as well as to look at measures such as establishing artificial reefs or fishing aggregating devices, addressing non-point source pollution, or invasive species to provide the Department with the necessary resources to accomplish these things so that we can for now and the future, increase our fish population. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2587, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MARINE RESOURCES," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 769-06) recommending that H.B. No. 2761, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2761, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST MAUI LAND AND PINEAPPLE COMPANY, INC," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 770-06) recommending that H.B. No. 2806, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2806, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Yamane rose to speak in support of the measure, stating:

"Mr. Speaker, I'm standing in support for Stand. Com. 770. Mr. Speaker, as a member of the taskforce regarding sustainability, I stand up in support regarding appropriation of funds for this measure.

"Basically the appropriation would give money to the Auditor to carry out some of the plans and ideas that were a result of this taskforce. It's not just data gathering, Mr. Speaker. The intent is to gather information from the wide variety of resources in every county and then give something back to the communities to have a long sustaining plan. This is for our future. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2806, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SUSTAINABILITY," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 771-06) recommending that H.B. No. 2925, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2925, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COMMUNITY-BASED ECONOMIC DEVELOPMENT," passed Third Reading by a vote of 51 ayes.

At 10:56 o'clock a.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2147, HD 1	H.B. No. 2761, HD 1
H.B. No. 2421, HD 2	H.B. No. 2806, HD 1
H.B. No. 2587, HD 2	H.B. No. 2925, HD 1

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 772-06) recommending that H.B. No. 2987, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2987, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Chong rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in strong support. Thank you."

Representative Yamane rose to speak in support of the measure, stating:

"I also stand in strong support. Thank you."

Representative Meyer rose to speak in support of the measure, stating:

"Mr. Speaker, I'm standing in strong support. This bill would issue a special purpose revenue bond for your alma mater, Saint Louis. I'm just concerned with some of the other bills that we're considering that if we consider SPRBs as projects that must pay prevailing wages, I hope that this project will work for Saint Louis. Thank you."

Representative Lee rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I would like to declare a possible conflict. My husband is a graduate of Saint Louis," and the Chair ruled, "no conflict."

Representative Kahikina rose to disclose a potential conflict of interest, stating:

"Mr. Speaker. In strong support and a possible conflict. My son, Kanoe is a Junior at Saint Louis," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2987, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR SAINT LOUIS SCHOOL," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 773-06) recommending that H.B. No. 3142, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3142, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker, I speak in strong support of HB 3142. I just want to highlight this bill because I think many people may not realize the crisis, the impending crisis that we have in trauma care. I think a lot of Members noticed at the very beginning, there were a lot of bills on emergency care and providing access to emergency care, but the question is, 'Where they end up?' They end up in emergency rooms. They end up in our trauma center. And the fact is we only have one trauma center in the State of Hawaii, and in fact in the whole Pacific region, there is only one trauma center. And unlike other states we can't go to neighboring states to access that care. Neither can we import specialists from other states to come and provide care.

"So the question is, 'Do we want to live knowing that Hawaii has less than quality care? Less than our best in the trauma center where the care is most critical?'"

"And it's not just for Queen's. I know some people may think we're trying to provide funding for Queen's and their trauma center, but actually we need to fund a whole system of trauma care

throughout the State. There are plans for another trauma center on Maui and possibly on the Big Island as well.

"The important thing is access. The important thing is providing specialists care, physicians who are on-call who can provide trauma service. And also providing the right kind of equipment so that the right kind of diagnosis and treatment can be made. The problem that we want you to know is that the reimbursement that are now provided are not enough to provide compensation for the kind of critical care that is needed.

"So I want to urge everyone to read the reports that were provided during the interim by LRB and by the physicians about what needs to be done for our trauma system. Thank you, Mr. Speaker."

Representative Finnegan rose to speak in support of the measure, stating:

"Just slight remarks in support on SCR 773. And I noted earlier talking about the trauma reports and everything; I just hope that as we move forward that we're looking at this as a plan. That we're planning it well and that we fund the priorities so we can maintain trauma care for not only this island, but all islands. Thank you. I was speaking in support, Mr. Speaker."

Representative Caldwell rose to disclose a potential conflict of interest, stating:

"Mr. Speaker. I would just like to disclose another potential conflict. Again, my wife serves on the board of the Queen's Health Systems and they have the highest level of trauma care in the State. I think this bill is designed to help them along with the other trauma centers, and the Chair ruled, "no conflict."

Representative Marumoto rose to disclose a potential conflict of interest, stating:

"A ruling on potential conflict. I have a son who does a lot of surgery at Queen's," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3142, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRAUMA CARE," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Evans voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 774-06) recommending that H.B. No. 3258, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3258, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 51 ayes.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 776-06) recommending that H.B. No. 2796, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2796, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HONEY," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 777-06) recommending that H.B. No. 1884, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1884, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Shimabukuro rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Shimabukuro's written remarks are as follows:

"I speak as the representative of the district in which Hoa 'Aina Farm and its learning center are located. But even more, I speak for the thousands of students and their teachers who, over the years, have come from all around the Island of Oahu to Makaha, where they have availed themselves of a unique and proven educational resource. By all reports, the lessons learned about plants, animals, nutrition – and, above all, respect for the 'aina – are carried over into their daily classroom work and leave life-long impressions. Their contact with farm director, Gigi Cocquio, and his dedicated staff gives a first-hand experience of aloha that they will never forget.

"In this "classroom without walls," a resource teacher paid by the DOE has provided standards-based instruction to students from dozens of schools in four DOE districts. Although the center is immediately adjacent to Makaha Elementary School, and shares common curricular interests with the school, it operates independently from the school. I emphasize this to show that HB 1884 is not a special-interest measure for a single school that happens to be in my district. This bill is about saving one position with system-wide implications that go far beyond Makaha and the Wai'anae Coast.

"One might ask why this teaching position, if it is so important, is being denied continued funding by the DOE. In speaking with school and Department administrators, I have learned that there is no single answer. But I do know that it definitely has something to do with the Weighted Student Formula, and the impact the formula has had on district-level resource teacher positions that are now unavailable to Makaha Elementary and other schools throughout the system.

"I, along with most of my colleagues in the House, have supported the WSF as a means of bringing a more equitable distribution of resources throughout the system. As theory gets translated into practice, however, it turns out that some schools, mainly our smaller, rural schools, where teacher turnover is higher, are getting short-changed. One school in my district has a young teaching staff where the majority does not come close to earning the average WSF teacher salary of \$67,000. Yet the school is required to purchase positions based on this average salary, preventing the school from budgeting for other critical needs. Maybe what we need in addition to the WSF is a weighted teacher formula that will ease the budgetary burdens of impacted schools.

"Until reforms are made, it is unfortunately necessary, I believe, that we pass measures such as HB 1884 to rescue programs that will otherwise be lost. I urge all my colleagues to support this bill and give continued life to a valuable and enriching program."

Representative Finnegan rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, in opposition. Mr. Speaker, this is very tough for me, as you may or may not know. This is where I grew up. I went to Makaha Elementary and I'm not sure how Hoa Aina O Makaha is connected to Makaha Elementary School. But the reason why I have to vote no is because what we're trying to accomplish, and I understand that the DOE is also wanting to do this. It is not to protect programs, they're trying not to protect programs and try to lessen the categorical funds so that we can have more funds going through the Weighted Student Formula.

"With more funds through the Weighted Student Formula we will be able to have these schools prioritize what they need for their schools and maybe in conjunction with other schools, be able to pull some money together to get positions to have programs like this. But if we continue to create more programs and have these type of favored schools, or favored programs, or categorical funds, then what happens is we start to diminish our want to get those others ones. Those other categories. Those other programs out from being protected.

"Like I said, I apologize to Hoa Aina O Makaha, because this is not something that I want to vote no for, but for the bigger picture, we have to stay on course and we have to get these things like the categorical funds and these programs out from being protected. Thank you."

Representative Shimabukuro rose to respond, stating:

"I'm sorry, may I speak a brief rebuttal? Mr. Speaker, last week HSTA held a meeting at the Capitol regarding the difficulty rural schools are experiencing under this Weighted Student Formula. One of the well-recognized problems that was discussed is the difficulty that rural schools have in recruiting and retaining teachers, and this problem has plagued the Wai'anae coast for many, many years.

"The principals in my district inform me of their dismay at losing six mentors and several resource teachers in the Leeward District due to the reforms. Mentor teachers provide critical training and support services to new teachers and resource teachers, and fill needs very specific to the schools.

"One such resource teacher is the subject of this bill and this teacher services schools throughout the islands who visit Hoa Aina Farms, Makaha Farms, on field trips. Mr. Speaker, this teacher's loss means much of the farm's operations and statewide field trips will cease. Rural farming communities such as Wai'anae desperately need instruction in agriculture and hands on learning.

"I stand with the principals in my district and HSTA to urge that the Weighted Student Formula be amended to account for the unique needs of rural schools, especially the high teacher turnover. This bill is a very necessary measure towards addressing that need. And Mr. Speaker, I also have additional written comments."

Representative Finnegan rose to respond, stating:

"Thank you, Mr. Speaker, just a quick comment still in opposition. What's happening in this situation is exactly what I'm trying to avoid, which is replacing one position and not doing it for Molokai or some of these other rural areas where they're losing teachers and principals just the same.

"What we're doing is we're singling out, and all of us, we're all saying by voting on this bill that we rather have that one than the one over in Molokai, or the one over in Lanai, or the one over in Kauai, or whatever positions that are out there that are being lost. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1884, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Finnegan voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 778-06) recommending that H.B. No. 2713, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2713, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Meyer rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, 778 is Relating to Special Purpose Revenue Bonds for Kawaiahao School. It's a kindergarten school over there. I'm in strong support of that. My only concern is some of the bills we have moving forward that would force Kawaiahao School, when they put that bid out to contract, to pay prevailing wages which very well might make the project unviable. Thank you."

Representative Marumoto rose to speak in support of the measure, stating:

"Mr. Speaker, I am strongly in favor of this measure, but have similar concerns to the Minority Floor Leader. We have repeatedly mentioned that the prevailing wage law will increase cost, and this is magnified. It's exacerbated when the projects are small which this Kawaiahao School project is. It's only \$6 million. It is less apparent when the construction projects are you know, \$50 million, \$75 million, but we want to help small school projects like Kawaiahao and Saint Louis. And if so, we should not saddle them with the Little Davis Bacon prevailing wage law. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2713, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS FOR KAWAIAHAO SCHOOL," passed Third Reading by a vote of 51 ayes.

At 11:07 o'clock a.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2987, HD 1	H.B. No. 2796, HD 1
H.B. No. 3142, HD 2	H.B. No. 1884, HD 1
H.B. No. 3258, HD 2	H.B. No. 2713, HD 1

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 779-06) recommending that H.B. No. 2759, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2759, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INVASIVE SPECIES," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 780-06) recommending that H.B. No. 2767, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2767, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 781-06) recommending that H.B. No. 2774, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2774, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 782-06) recommending that H.B. No. 2848, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2848, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 783-06) recommending that H.B. No. 2877, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2877, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I'm going to be voting with very strong reservations. Unless we as a Body really get down and understand what we are doing with the gas pricing, the gas cap in the State of Hawaii, I think it's rather premature that we're talking about waiving gross excise taxes.

"Until we get some type of understanding of the devious ways that the oil companies do their pricing, it's very difficult for us to find out whether or not, all of a sudden that decrease will suddenly go into their coffers of profits.

"So until we come to an agreement, whether we're going to cap them, run them, understand their transparency, or find out what it is that they're doing, I can't support totally a measure that gives them a crack at another 2 cents. Thank you."

Representative Pine rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, this is a tax cut I definitely can support. When we combine the taxes on gas with the City and State and the federal government, having residents pay the highest gas taxes or among the highest gas taxes in the nation, so this definitely will decrease the cost of gasoline for Hawaii residents."

Representative Morita rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I rise in opposition to this measure. Whatever savings accrued from a reduction taxes are not necessarily guaranteed to the consumer. Also one of my great concerns is that we don't know the fiscal impact of such a move. Thank you."

Representative Souki rose to speak in support of the measure, stating:

"Thank you very much, Mr. Speaker. I wish to speak in favor of this measure. Some years ago when the State was in dire financial needs, the excise tax was passed by this Body here – not this same Body of course. A Body a number of years ago I believe, when I was the Finance Chairman.

"The reason we did it was that simply the State was running short of funds. The excise tax doesn't go into the State Highway Fund. It goes into the general fund. Right now we seem to have a surplus, and I think it's the right time to repeal the excise tax on gasoline. I think this will help to sever our reputation that we have one of the highest gas taxes in the nation. Also it doesn't belong there where it is right now. I believe this is the right time, Mr. Speaker. Thank you very much."

Representative Sonson rose to speak in support of the measure with reservations, stating:

"With strong reservations and the words of the Chair of EEP be included into the Journal as my own. Mr. Speaker, I'm very

concerned that this particular measure does not have the fiscal impact study on it. There's no indication of what is going to cost the Hawaii taxpayers.

"The Speaker Emeritus said that yes, this money does not go into the Highway Fund. It goes into the general fund. That's even scarier. We have a lot of programs moving, a lot of programs maybe for the poor. A lot of measures that will help people who are in need of health care, housing, etc. That's where we want to focus any tax breaks. I'm not sure if I am clear on why we are giving tax breaks to the, I believe this is a tax break for the well-to-do. Thank you."

Representative Finnegan rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Finnegan's written remarks are as follows:

"The purpose of this bill is to provide assistance to the people of Hawaii by suspending the collection of the general excise tax on motor vehicle gasoline for two years. Tax relief is sorely needed by the Hawaii taxpayer. I would like to see tax relief that starts with the taxing of food and medical care. Continuing a tax on these fundamental necessities is cruel and wrong, especially because of the impact on low income workers.

"Originally the idea of placing an excise tax on food and medical care was designed to tax the visitors coming to Hawaii. The resident population was given a tax credit so that the net impact would be neutral. However, the succeeding Legislatures rescinded the tax credit to place the full burden of the excise tax upon Hawaii residents."

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

"Mr. Speaker, I stand in support with strong reservations. I really rather see this money go into increasing the number of buses on the road. In a sense, this measure rewards people who drive cars. Either big cars or poor fuel-efficient cars, and I think it would be a much better idea to put this back into solving some of our traffic problems. Thank you."

Representative Stonebraker rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in support. It's very surprising in a year with so much surplus to see so few tax breaks and tax decreases. And then when something like this that's just pennies for the drivers on the roads, to see such kicking and screaming from some people. That this is terrible that we're cutting taxes. It's just hilarious. I wish the public could watch this."

The Chair interjected, stating:

"Representative Stonebraker, I think the public is watching this today."

Representative Stonebraker continued, stating:

"I hope they are because gas taxes and gas prices and the gas cap have been such hot issue over the past couple of years, and to directly lower the price of gas not for the well-to-do, but for everybody. Anybody who drives, for goodness sake. Let's just pass a little tax break for some of the drivers in Hawaii. Thank you."

Representative Meyer rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in strong support. I would like the words of the Representative from Hawaii Kai inserted in the Journal as if they were my own. And I think that this is the least we could do. The drivers have paid over \$55 million more than they should

have since the beginning of the gas cap. This begins to give a little something back and I'm in strong support. Thank you."

Representative Yamashita rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, a ruling on a potential conflict. I'm a part owner of a gas station," and the Chair ruled, "no conflict."

Representative Takai rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I rise in support of this measure. Thank you. I would like the words of the speaker from Maui, the Transportation Chairman entered into the Journal as if they were my own," and the Chair "so ordered." (By reference only.)

Representative Takai continued, stating:

"Thank you, Mr. Speaker. Mr. Speaker, I did some research on this and asked the Tax Department, and in fact the Department of Budget and Finance, for an analysis of this, and the truth is they can't come out with it because the way the GET is for gas stations. The way the GET works, it's a total tax across all of their income derived from not only gas, but also many of them are going into convenience stores and selling drinks and food and other items. But to me it doesn't matter, Mr. Speaker, because what we're saying here in this bill is we're getting rid of the GET on gas and it's not only pennies.

"In fact if you take a look at gas, for a gallon costing about \$2.50 that's actually 10 cents. That's pretty significant and I think in light of the challenges we faced over the past few months in regards to gasoline cost, I think this is a step in the right direction. I would like to urge my colleagues to support this measure. Thank you."

Representative Berg rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I rise in strong opposition to this bill. Thank you. What we're talking about here in our Legislature is fiduciary responsibility to use taxes as investments in our future and improving the quality of life.

"My concern is that we're not talking about other taxes as well. Yes we are both sides of the aisle if you will. If taxes are an investment then what we really need to be talking about as an efficient government, a responsible government, is coherent tax plan. I'm really deeply concerned that as we have a philosophy that the least we can do is cut this particular tax, what are we doing more deliberately to look at curbing the gated communities. The building of gated communities. Lessening our 90% dependence on the food source supplies and imported goods and lessening our dependence on imported fossil fuels.

"We have lots of bills that are working toward these areas and what I would caution us is if this is pennies, or even if it's not pennies, that we need to be very deliberate with all of our tax cuts or all of our measures that want to reduce any of the taxes that we think would help us have a better quality of life. Thank you."

Representative Moses rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in strong support. I wasn't going to say anything, but this is as we heard from the Vice Speaker 10 cents a gallon. So that's 20 cents a gallon for the average family in Hawaii because you have two working people, two cars going to work to different places, so it's 20 cents a gallon. Add that up, and maybe it will help them put food on the table and that's a reason why we should eliminate the GET on the food too. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2877, HD 1, entitled:

"A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX," passed Third Reading by a vote of 48 ayes to 2 noes, with Representatives Berg and Morita voting no, and Representative Arakaki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 784-06) recommending that H.B. No. 2930, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2930, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Shimabukuro rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Shimabukuro's written remarks are as follows:

"I support HB 2930, which appropriates funds for a pilot project to establish designated areas in public parks for using plants and trees for Hawaiian traditional and customary gathering practices.

"As representative of a district in which Hawaiian practices are widely taught and cherished, I am pleased that the project will be tested in Wai'anae. But I am even more excited at the prospect of the project being duplicated throughout all islands. If this bill receives proper funding, there is no reason that this cannot happen.

"I have followed carefully the almost unanimous testimony offered in support of this bill as it made its way through two House Committees. From agencies, such as OHA, and from interested individuals, I sensed great enthusiasm for this project, which would give greater access to the cultural resources of our islands.

"It would especially help our young people to experience in a tangible way their own cultural roots. One of my constituents, a respected *kupuna* in the community, spoke movingly of these 'outdoor classrooms' that would enable our *keiki* to learn from knowledgeable practitioners.

"The Department of Land and Natural Resources, in its testimony, expressed appreciation for the concept. At this same time, it expressed certain reservations based on a false perception that the project would be restricted to 'only those of Hawaiian ancestry.' This was certainly not the intent of the bill, and nothing in the title or body of the bill would indicate such restrictions. In checking with our Majority Staff Office, the drafting agency for the bill, I was given a legal opinion that the only thing 'Hawaiian' about the bill is the practices indicated. Nowhere in the language is it indicated or inferred that the pilot project is restricted to Native Hawaiian people.

"I urge all of my colleagues to join with me in supporting a modest, but creative, project with enormous possibilities."

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I rise with reservations on this measure. I'm all for the gathering rights and I'll explain that here. The bill proposes DLNR to cord-in special boundary areas within State public parks in the Waianae area to designate them for Hawaiian gathering practices for growing plants and trees.

"Well I support Hawaiians' rights to practice traditional gathering practices. As written the bill does not take into consideration the following legal and geographical concerns. There are limited State parks in Waianae area. There is only Makua and Kaena Point State Park. Due to the restrictive land use associated with Natural Area Reserves, the proposed project could not be implemented at Kaena.

"Considering the dry climate and social conditions in the Waianae area, there are areas that are more suitable for planting and gathering.

A good example would be Malaekahana State Park with numerous many coconuts because DLNR refrains from harvesting tress in low traffic areas within the park.

"After speaking to a DLNR division head we know there are public lands available *mauka* of Waianae that could be used, however irrigation and an archeological survey would be required prior to planting. Due to DLNR's mandate to protect Hawaii's resources and maintain access to a general public, DLNR is unable to cord-in an enclosed area designated for the exclusive use by Hawaiians.

"The existing free permitting process for gathering plants in our State park was established to: a) monitor whose going into a park to gather; b) how much they are taking; and c) when they accessed the area. Through this permitting process DLNR is able to manage and preserve our natural resources. Exempting one group from following this process sets a bad precedent and makes current rules unenforceable.

"Stewardship of the land is the main impetus of this bill and sets up a pilot project. Educating the Waianae community on the traditional gathering practices of Native Hawaiians can be developed in cooperation with DLNR's existing curatorship program. Thank you, Mr. Speaker."

Representative Shimabukuro rose to respond, stating:

"Mr. Speaker, just in brief rebuttal. I just wanted to clarify that this bill is not just intended for Hawaiians. We did get an opinion on that from the House Majority Staff Office that this is not limited to only Hawaiians.

"Secondly in Waianae in that district, both Makua and Kulailai Park have streams so there is irrigation naturally occurring in both of those state parks. Further, Section 2 of the bill does state that by 2009, this should apply to all State parks, so that would include Malaekahana and other parks across the State.

"And there are finally, several nonprofit groups in Waianae that have indicated very much interest in this program and providing the necessary manpower to make sure it works. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2930, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN TRADITIONAL AND CUSTOMARY PRACTICES," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 785-06) recommending that H.B. No. 3057, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3057, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Karamatsu rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Karamatsu's written remarks are as follows:

"I rise in support. The Hawaii small business innovation research grant program was created to encourage small businesses to develop commercially viable technologies or innovations. Prior to 1989, there were only two Hawaii small business innovation research grant program-awarded companies, but since 1989, fifty-six Hawaii companies have won two hundred forty-five small business innovation research grant program awards. These grant program awards brought approximately \$56,500,000 in federal small business innovation research grant program Phase I and Phase II funds to Hawaii. In addition to these grants, \$57,500,000 in Phase III small

business innovation research grant program commercialization contracts have been awarded to Hawaii companies. According to the United States Department of Agriculture, Hawaii companies have won the highest number of United States Department of Agriculture small business innovation research grant program awards per capita of any state.

"Hawaii must be a strong participant in accessing matching funds from the federal small business innovation research grant program, which has \$2,000,000,000 in funds. Hawaii's cumulative state investment in the Hawaii small business innovation research grant program of \$3,700,000 has a return ratio of 15:1 in federal Phase I and II grants and 30:1 if the Phase III commercial contracts are included.

"The current annual general fund appropriation of approximately \$260,000 for the grant program has remained relatively the same over the past sixteen years and actually decreased in some years from a high of \$400,000. However, the increase in the number of participating Hawaii companies and grants awarded has caused a significant reduction in the amount of funding available from the Hawaii small business innovation research grant program for recipients of the federal program. Small business innovation research-funded, start-up projects and companies are an important part of the pipeline that feeds and increases the size and number of research and development companies seeking to commercialize technologies in Hawaii. This program, other similar programs, and the efforts of those involved result in a more stable technology-based economy in the State. Therefore, through this bill, the appropriation for the Hawaii small business innovation research grant program, and other related technology grant programs being created this legislative session within the High Technology Development Corporation will be increased to \$500,000 to help foster further growth in the technology industry."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3057, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

At 11:22 o'clock a.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2759, HD 1	H.B. No. 2877, HD 1
H.B. No. 2767, HD 2	H.B. No. 2930, HD 2
H.B. No. 2774, HD 1	H.B. No. 3057, HD 1
H.B. No. 2848, HD 2	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 786-06) recommending that H.B. No. 3237, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3237, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Sonson rose to speak in support of the measure with reservations, stating:

"On 786, Mr. Speaker. In support, however with strong reservations. First I'd like to apologize for not catching the referral of this bill. As you can tell, it was actually introduced by me and the Chair of Education. I think this measure should have been actually referred to Human Services and I didn't catch that. There is a big part that Human Services plays in this because they do handle a large federal fund that does provide funding for early childhood education.

"There is a strong objection to the makeup of the working group. The working group does not include representation from the private schools. They are at this point currently, one of the biggest providers

of early childhood education. I believe that they should have a voice in this because it does affect them.

"The bill goes on to say that the working group will look at how the school facilities, public school facilities that can be used by both public and private providers, so they are I believe, Mr. Speaker, an indispensable part of interest. Thank you."

Representative Berg rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in strong support of this bill which is a work in progress. It's probably my ... I'm responsible for asking the Chair to cosign it. In my freshman year, I'm learning how it works. So perhaps I'm at fault for the mis-referral.

"I believe that the referral to the Education Committee was correct however, and this particular amendment to this bill comes out of the taskforce that we convened this summer. The original bill laid out the broad strokes for an authority and for an upcoming view of how we can create a governing structure for a new system for early childhood learning. This particular draft is looking at more specifically bringing a working group together to scope out and propose a plan for the State's responsibility for 4 year-olds. It is in no way intended to be a final product or to imply that the private providers are not included in the conversation.

"The challenge of creating an early learning system is very much like the challenge we have for a university system with a public and private partnerships. So we're having to explore at least at the beginning stages, what is the State's responsibility financially, and then bringing the other providers in to see how we can look at services, not only for 4 year-olds, but from 0 to 5.

"So I believe this is a great first step in this effort and I look forward to working with the Senate as we make sure that all of our 4 year-olds are taken care of, and all of our young children have early learning experiences. Thank you."

Representative Ching rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, just in strong support. I think the many benefits of early childhood education have been documented many, many times, so this is an exciting measure. However I also would like to insert written comments and I do hope that the private schools are included in the dialogue," and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in strong support of H.B. 3237 -- Relating to Early Childhood Education. In today's society it's imperative to introduce children into early childhood educational programs that maximize current resources to pave the way for a child's healthy and successful development. Providing early childhood education access to all four year olds in the State of Hawaii is essential in today's society.

"We know research shows that the mind is shaped significantly by experiences and other stimuli in the first five years of a child's life. This period sets the foundation in which a person forms his or her behavioral, emotional, social, and decision-making skills, values, self-esteem, and lifelong learning ability. All children have the right to attend good programs that promote their development and learning. High-quality care and education programs have been documented to promote children's development and learning."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3237, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EARLY CHILDHOOD EDUCATION," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 787-06) recommending that H.B. No. 1829, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1829, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Yamane rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I have a potential conflict on 787. I am a School of Social Work graduate," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1829, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 788-06) recommending that H.B. No. 2132, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2132, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Caldwell rose to disclose a potential conflict of interest, stating:

"I just wanted to disclose another potential conflict. My wife is Vice Chair of Bank of Hawaii and directly involved with the Galbraith Trust which is going to be terminating next year. I would just like to seek a ruling," and the Chair ruled, "no conflict."

Representative Stevens rose to speak in support of the measure with reservations, stating:

"I rise with reservations on Stand. Com. 788. Lake Wilson has this dam across it, and the dam is already classified as a high hazard. Purchasing this land will only increase the liabilities. DLNR is just not in a position, or do they have the expertise to manage this type of property and I believe that the dam should be repaired before we consider a purchase of something like this. Thank you very much."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2132, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO ACQUIRE REAL PROPERTY IN WAHIAWA, OAHU," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 789-06) recommending that H.B. No. 2153, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2153, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 790-06) recommending that H.B. No. 2176, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2176, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Kahikina rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Kahikina's written remarks are as follows:

"Mr. Speaker, I rise in strong support of this measure Relating To Housing.

"Act 196 provided a number of mechanisms and incentives to increase the supply of low-income rental housing. In addition, the Legislature, recognizing that more meaningful solutions to Hawaii's housing and homeless crisis were needed, established a Joint Legislative Housing and Homeless Task Force to further identify near-term solutions to Hawaii's affordable housing and homeless problem. The taskforce relied on the information collected in developing its recommendations.

"The purpose of this bill is to implement many of the recommendations of the taskforce. This measure:

1. Authorizes State Rent Supplement Program funds to be used for operating subsidies for state low-income housing units transferred to private organizations to operate and manage the units.
2. Increases the allocation of conveyance tax revenues to the Rental Housing Trust Fund.
3. Allows State-owned parcels to be leased for the development of self-help housing.
4. Provides for the transfer of public lands suitable for affordable residential development to the Hawaii Housing and Finance Development Administration.
5. Appropriates funds for homeless and transitional housing programs.
6. Appropriates funds to repair vacant public housing units. Appropriates funds for interim construction loans to develop self-help ownership homes.

"By instituting this measure, we hope to give incentives to both private and non-profit organizations to help us increase the number of newly constructed and renovated affordable housing and put an end to homelessness in Hawaii."

Representative Pine rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Pine's written remarks are as follows:

"Mr. Speaker, I rise in support. This bill will increase the conveyance tax revenues deposited into the Rental Housing Fund from 30% to 65%. The increase will allow more revenue to be focused on affordable housing. It also allows HCDCH to set, by administrative rule the amount of the State rent supplement payment. This flexibility will help numerous low-income families and increase affordable housing in Hawaii."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2176, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 791-06) recommending that H.B. No. 2692, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2692, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in opposition to the measure, stating:

"Mr. Speaker, I would like to cast my very adamant vote for no as a no. I'd like to give a little background because I think maybe we're finally starting to understand some of the ramifications that bills such as this would have on some of the good things and the good works that this Legislature is attempting to do. A number of those are the SPRBs that we've been discussing the past week and many of them today.

"First of all Chapter 104, we keep calling it the fair prevailing wage law, and there are many of those who look at me and say, 'Well, what's wrong with a good living wage for employees?' That's not what it's about. What's it about is Chapter 104 is in fact the 'Baby Davis Bacon Act', and the Baby Davis Bacon is patterned after the federal Davis Bacon which is specifically for funding that comes through public works. What this bill is attempting to do is attempting to stretch the term of what a public works is into indirect types of public works, SPRBs.

"What are the implications? First of all, let me give you an implication. A school that is going to do a small public work. This is the type of reporting they will have to do. If they have a worker that performs carpentry, some painting, does some single-man work, each activity would have to be broken down into categories of classification and then they would have to submit certified payrolls on a weekly basis.

"Where do they submit them to? We don't know. We don't know that yet. Why don't we know? Because you have to have a government contracting agency to be able to do a government contracting program.

"So we have a Chapter that is so confusing. It's missing so many pieces, but what we're trying to do is slide as a public works, very important projects such as those that we're funding for Kamehameha Schools, for Maui Pine, some of the irrigation programs that we're developing, a small program for Kawaiahao Church, Saint Louis High School, these now would all be vulnerable to these additional costs of not just supplying a living wage which is what we want for our people, but the extreme, extreme burden of reporting to an agency which is still non-existent. And I have not yet seen the creator of these wonderful bills to expand Chapter 104 stand and rise and support them, including the Chair of Finance. Let's talk about this. Let's stop these Chapter 104 bills."

Representative Meyer rose to speak in opposition to the measure, stating:

"Mr. Speaker, can we go back to Stand. Com. Report 791? I'm rising in opposition to the bill. I don't want to repeat much of what the Representative from Kakaako has said, but I'm concerned about these indirect public works.

"I think mandating union wages for private projects will only increase the cost of construction anywhere from 30% to 50% depending on the size. As I understand it, the more expensive it is, the difference is not as great, but when you get to these small jobs it can be, because of all the burdensome requirements of payroll, who gets to work, and what positions have to be filled. It's just nothing like what contractors have to deal with in the private sector.

"My opposition to this bill does not mean I believe that hard working employees should be paid less than they are worth. Instead, I believe that during this time of impossible housing costs and construction costs and excessive taxes, Hawaii's people should come first before union demands. Consumers deserve choices and this is what a functioning market provides. Allowing businesses to pay prevalent wages or competitive wages, rather than fixed union wages creates a more competitive world where consumers have the ability to shop for the best buy.

"On the other hand, if these various entities who are coming to us for SPRBs to get lower interest loans are all forced to pay the highest

possible salaries, then they really will have no choices. That's my concern. I think we are getting into an area where we're not prepared.

"As the Representative from Kakaako says, Chapter 104 is very complex. It doesn't really cover everything. I think that this opinion we heard about many times from the Attorney General, I think if it was challenged in court it will be overturned because, maybe if you look at it very narrowly you could call a SPRB a public project because the government is behind the loan. But it also says you must have a government contracting office and we don't have a government contracting office for these types of jobs that are many arm lengths away from government. Thank you, Mr. Speaker."

Representative Moses rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I'm in opposition. I believe that this may affect GIAs also, grants-in-aid, and I know we're looking at YMCA, Goodwill, Easter Seals. Agencies like that and we're going to require them to report all of this stuff to a procurement office somewhere but we don't have one. Thank you."

Representative Ching rose in opposition to the measure and asked that the remarks of Representatives Meyer and Moses be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2692, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC WORKS," passed Third Reading by a vote of 41 ayes to 10 noes, with Representatives Ching, Finnegan, Harbin, Marumoto, Meyer, Moses, Pine, Stevens, Stonebraker and Thielen voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 792-06) recommending that H.B. No. 2964, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2964, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING," passed Third Reading by a vote of 51 ayes.

At 11:35 o'clock a.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 3237, HD 2	H.B. No. 2176, HD 2
H.B. No. 1829, HD 1	H.B. No. 2692, HD 1
H.B. No. 2132, HD 2	H.B. No. 2964, HD 1
H.B. No. 2153, HD 2	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 793-06) recommending that H.B. No. 3116, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3116, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, in support with reservations. We're all for children's health. My concern with this program is the bill is not a Medicaid program as such, and therefore there will not be any federal dollars to help the State pay for the coverage.

"The Department of Human Services is concerned that families with incomes between 251% and 300% of the FPR right now would drop Medicaid coverage. These costs between \$15 to \$16 per child

per month for full benefit package. To enroll those children in this new proposed program, which would not require a premium. Much of this will be very limited as a benefits package, than the Medicaid 'Cadillac' coverage that they already can get. The plan will not cover newborns, and adults ages 18 to 19 years of age, or newly arrived immigrants with temporary Visas. They could become the State's new emerging uninsured gap group.

"So what I'm saying, Mr. Speaker, is we have a better program right now, and this bill is going to segregate out a portion of our population. Thank you."

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

"Thank you, Mr. Speaker, in strong support. Mr. Speaker, I would just like you and the others to know that this is probably a seminal moment in the history of our Legislature because we'll be the first State that can actually promise and provide healthcare for all Hawaii's children.

"And just to correct the previous speaker. In our latest negotiation, and I need to point out that this is a collaborative effort with one of the private providers, HMSA, as well as DHS. In the latest negotiations this will be a Medicaid program.

"This works wells with the Administration's proposal to cover more children. Their coverage was up to 250%, and actually up to 300%, with the portion from 215% to 300 requiring a co-pay. But with the latest negotiation the coverage from HMSA will make it free for those who are from 250% to 300%, as well as those who might be excluded because of certain conditions such as immigrant status.

"And I just want to want to mention that this measure along with the next one which is assessment of early childhood, and the early education bill, HB 3237. These are sort of the three legs that the Keiki Caucus has long been pushing and this is one way that we can ensure that all children in Hawaii will be healthy, safe, ready to learn, and succeed. Thank you, Mr. Speaker."

Representative Green rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in strong support. I'd like to add to the two previous comments to say that, one, the Hawaii Health Taskforce we passed last year as a Body made only two significant recommendations in its first report. One was to insure all children, and this will do that. The points were very well made.

"We do have an excellent program and the Medicaid Health Care Program. Our goal through these negotiations that are going on right now is to make sure there are no co-pay at all up to 300%, and in addition use the Children's Health Care Program to take care of any gap groups that still remain. Specifically immigrant children, so by the end of this Session we will be able to provide 'Cadillac' care for every child. There will be no children uninsured in the State of Hawaii. A first. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3116, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII CHILDREN'S HEALTH CARE PROGRAM," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 794-06) recommending that H.B. No. 3139, HD 2, as amended in HD 3, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3139, HD 3, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 795-06) recommending that H.B. No. 3158, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3158, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Waters rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in support. The purpose of this bill is to ensure that the University of Hawaii can provide quality higher education programs in a setting conducive to learning by appropriating \$84 million for repair and maintenance.

"Due to decades of deferred repair and maintenance, many buildings and other infrastructure that encompasses the University of Hawaii system have steadily deteriorated from neglect. Too often funds for repair and maintenance have been diverted to address more immediate needs such as skyrocketing cost of electricity and other utilities. As a result, many of the 10 campuses statewide suffer from leaky roofs, termite infestation, and crumbling walls and ceilings that are becoming more and more expensive to repair, and this bill I'm proud to say, takes a big chunk or big bite out of that backlog. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3158, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 51 ayes.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 829-06) recommending that H.B. No. 3036, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3036, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Meyer rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I'm rising in opposition to House Bill 3036, House Draft 1. The purpose of this bill is to ensure that general contractors promptly pay subcontractors once they complete their work under their contract.

"The bill is unnecessary because under current HRS, the law provides the framework for prompt payment within 10 days after receiving money, provided that the subcontractor has met all the terms and conditions of the subcontract and there are no *bona fide* disputes. In addition, the Department of General Services provides a complaint investigative process for contract disputes. If the complaint is found valid, DAGS can take various actions including withholding payment to the contractor or initiating a petition for debarment of the contractor for bidding on other State jobs.

"This bill I believe adds more bureaucracy to the process and would add to the cost of doing business, as well as eliminate a competitive market. The bill does not reflect the understanding of the position of the general contractors who bear the ultimate responsibility for payments to material houses, subcontractors, and labor. This bill would also require everyone in the State to pay for professional construction administration services on every contract to cover this administrative burden, which would be a costly proposal for consumers. For those reasons, I'll be voting no."

Representative Thielen rose to disclose a potential conflict of interest, stating:

"Thank you, Mr. Speaker. I first would like to find out whether or not you feel I have a potential conflict. I have contractors in my family," and the Chair ruled, "no conflict."

Representative Thielen continued in opposition to the measure, stating:

"Okay, Mr. Speaker, I oppose the bill also. I don't think this is the correct way to go. Thank you."

Representative Marumoto rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Steven rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Pine rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Moses rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3036, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTS," passed Third Reading by a vote of 48 ayes to 3 noes, with Representatives Meyer, Stonebraker and Thielen voting no.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 830-06) recommending that H.B. No. 2509, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2509, entitled: "A BILL FOR AN ACT RELATING TO DRIVER LICENSING," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 831-06) recommending that H.B. No. 3018, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3018, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT EMPLOYEES," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 832-06) recommending that H.B. No. 105, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 105, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE," passed Third Reading by a vote of 51 ayes.

At 11:44 o'clock a.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 3116, HD 2	H.B. No. 2509
H.B. No. 3139, HD 3	H.B. No. 3018, HD 1
H.B. No. 3158, HD 2	H.B. No. 105, HD 1
H.B. No. 3036, HD 1	

At this time, the Chair announced:

"Members, we will take a one hour break and we will reconvene at 12:45 to continue on with our Order of the Day. Lunch is being provided in the Caucus Room."

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

The House of Representatives reconvened at 12:56 o'clock p.m. with Vice Speaker Takai presiding.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 833-06) recommending that H.B. No. 1873, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1873, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PRESCRIPTIONS," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 834-06) recommending that H.B. No. 1968, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1968, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 835-06) recommending that H.B. No. 2367, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2367, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL HISTORY RECORD CHECKS FOR SERVICE PROVIDERS OF THE OFFICE OF YOUTH SERVICES," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 836-06) recommending that H.B. No. 2710, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2710, HD 2, entitled: "A BILL FOR AN ACT RELATING TO NOISE," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Evans voting no.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 837-06) recommending that H.B. No. 2747, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2747, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DRIVER LICENSING," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 838-06) recommending that H.B. No. 3037, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3037, HD 1, entitled: "A BILL FOR AN

ACT RELATING TO DRIVER LICENSING," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 839-06) recommending that H.B. No. 2368, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2368, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I rise with reservations on SCR 839. Thank you, Mr. Speaker. Some changes were made to this bill, I forget in which Committee, but some changes were made to this bill that excludes people with disabilities, and people with children, and people over 65. But let me just tell you a story of how an exclusion or exemption like this could really affect providing housing for more families that fit within that group of people over 65 or have kids that are minors and all of that.

"One of the situations that I was told about was one of the apartment buildings in our public housing, there was an apartment that was rented out to a grandmother over 65, and against the rules of public housing, was housing a person who had some serious issues with either drugs or psychological issues, and psychiatric issues probably. But what had happened was because it was so dangerous for those who lived around that apartment, slowly by slowly as vacancies came up within the other apartment buildings, they started vacating those around this one apartment to put them into other apartments until all of the apartments surrounding this one apartment were empty. They were all empty.

"What happens with that is because of the danger they inflicted, or that grandson inflicted on the others, they couldn't rent out or provide housing for quite a few other families that needed housing. So when we talk about this eviction process, we need to take a look at how these types of laws will affect getting housing to those who need it and are on the waiting list or whatever.

"So I'm with reservations, and I'm hoping that maybe we could allow a better way to address this issue. Thank you."

Representative Kahikina rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I stand in support. Thank you, Mr. Speaker, and I just want to address the concern of the previous speaker, and I suppose that she's speaking on the exemptions that were placed in this vehicle.

"May I just first inform the Body that the whole purpose of public housing was created to provide housing for our very indigent families, and the exemptions that we had placed address those families that are in need. I do understand the circumstances that are troubling a lot of my colleagues, but the reason why we inserted the exemptions was in reaction to the evictions of single families that we saw from KPT. Two single moms with their children. And when we asked the agency, 'What are you going to do for those families?' they simply said, 'Nothing,' because when you are evicted from housing, those families are evicted from public housing for life.

"And so having that concern, we inserted the exemptions so that we could further discussions instead of just complying with what the Department wants, which we realize that that position is coming over in the Senate vehicle. We wanted to put in these exemptions because we wanted the agency to tell this Body what are they going to do with those families. Not the one that the previous speaker was speaking about, about a grandmother's son, because the grandson is not the tenant. So we wanted to address the real issue.

"Are we going to put these needy families into a homeless situation where we can never help them? Then we are defying the whole purpose of providing public housing. Public housing was for our citizens that are in dire need. So I ask the Members of this Body to support this measure so we can go into Conference to further the discussion, and hopefully the Department, the Housing Department, can better address the concerns.

"If you evict families, especially single families with children, what are we going to do, because we don't want to cause more homelessness out there. Thank you, Mr. Speaker."

Representative Sonson rose to speak in support of the measure with reservations, stating:

"Thank you very much, Vice Speaker. I'm standing with strong reservations on this measure. I do concur with the Chair of Housing that the reason why we created public housing is to benefit those who are underprivileged, but that's because what this is. It's a privilege, not a right, to stay in public housing.

"There is a list, a growing list of homeless people who want to get into public housing. We want to ensure that the agency that's taking care of public housing is empowered with the right to evict tenants who are not conforming with the rules and the regulations that are clearly, clearly indicated in a contract when they move in into public housing.

"Outside in the private market, it takes about a month to take out a tenant. A tenant that doesn't pay rent, a tenant that doesn't comply with house rules maybe because of drugs or alcohol, whatever it may be. It takes about a month and that's a way, way long time in the private sector.

"You know how long it takes now for the agency to take a tenant that is not complying with the rules be it because of drugs, alcohol, or substance abuse, whatever it may be in violation of the rules with nonpayment of rent? It takes about a year. A year, Vice Speaker. In the way that they take these tenants out is not to punish them and to get them out and not care about them anymore. It is to provide the next people in line who also don't have a place to live, who are also disabled, who are also poor, who are also aged. The list goes on.

"It is a privilege to stay in public housing, and if you do not follow the rules, there's someone in line that's going to take your place. I think that this is a bad bill as it is right now. I hope that it can be improved as it moves on. Thank you."

Representative Thielen rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. Mr. Speaker, I'm going to be voting against the bill and I would like to explain why. Thank you. I was a Legal Aid attorney for five years, Mr. Speaker. There are a number of us in this Chamber who did work for Legal Aid, and I think some may still work there.

"I was in the housing section and at one point, there were people that were being evicted because they were a few days late with their rent, and they were late with their rent because their government assistance checks didn't arrive until the 5th, 6th, or 7th, sometimes the 8th of the month. So it wasn't the fact that they weren't going to pay the rent. They didn't have the funds available to do it and they were being evicted.

"I understand there was a situation that was brought to our attention at the hearing where a similar thing is occurring with a woman who works with low income and homeless people. She is employed, but she also gets her funding, her money in a manner in which it may not be quite as timely. She may not receive it quite on time to be able to pay by the 5th of the month. They're evicting her and I don't think this is right.

"I think that a bill that allows sort of a 'fast track' eviction is going to hurt people that it shouldn't hurt, as well as get those out that it should get out. But it's too comprehensive and I can't support it at this point. Thank you."

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

"Thank you, Mr. Speaker. In strong support. Mr. Speaker and colleagues, an expedited eviction process is like kicking somebody in the teeth when they're down. When you think about it, as the Housing Chair mentioned, our public housing was meant to provide a safety net for the most vulnerable in our population. When I asked the Director how many people, if we exempt people with families, families with young children, disabled, and the elderly? She said, 'Well, we're talking about 80% to 90% of those who are slated to be evicted.'

"Doesn't that tell us something? Where's our sense of compassion? These are people who will be thrown out into a street, and granted they're not following the rules. They can't come up with the rent. But for those who buy into this argument that we're going to have to kick them out in order to make room for others on the waiting list. You don't realize that there's a waiting list because we don't have enough low-income housing, and I don't see how it's going to solve the problem by making more people homeless. It just doesn't compute with me. And I think as policymakers we need to show that compassion.

"We need to hold our housing agency's feet to the fire. If they're charge is to find housing for the most vulnerable in our population then let them work on that, and then allow them to go through an expedited process. But not just do it because they have to meet some federal mandate. That's where our heart should be at.

"So, Mr. Speaker, this is to really force them to look at alternatives because once you're evicted that's it. You no longer qualify for public housing, and you tell me what kind of choices people have after that. Thank you, Mr. Speaker."

Representative Cabanilla rose to speak in opposition to the measure, stating:

"Mr. Speaker, I stand in opposition on this measure. I realize that there are kids out there that may be homeless, but however there's also kids that are now homeless. And I think in any public housing, there should be rules and procedures implemented and we, as policy makers, should support these procedures that are on the books.

"We need to expedite this process because as it stands like the Representative from Waipahu said, it is so difficult to evict somebody in public housing because of all of the rules that apply and all the drama that comes with it, all the negative publicity that comes with it, and we as legislators don't want to take a hit. But I think there's a time that we need to stand and walk the line and do our job, which is to provide housing in a fair and equitable way which also includes that if you don't follow the rules, you don't get to stay. Thank you, Mr. Speaker."

Representative Souki rose to speak in support of the measure, stating:

"Thank you very much, Mr. Speaker. I wish to speak very strongly in favor and have the speeches of both the Representative from Nanakuli and from Kalihi Valley as my own," and the Chair "so ordered."

Representative Souki continued, stating:

"Mr. Speaker and Members, I used to be the director of an antipoverty program for many years, so I'm well aware of the difficulty of poor people and the problems that they have. As was

mentioned by the Representatives of Nanakuli and Kalihi Valley, this is the last resort. Once they're out, they become homeless, and then we have an additional problem. We need to find homes for the homeless.

"It compounds the problem and I believe, it behooves the Administration and the Administrator of the Department to provide counseling. And possibly this can be looked into. This is where I hope that as they get into Conference on this, maybe a possible modified garnishment, where they will take some of the salary away if that's possible, or work with some agency where you can get some measure of income from these tenants to help them pay. But give them a lot of counseling. And I think this is what it is lacking in here.

"So with this in mind, I hope this bill moves forward and at the least, it will show that we're an agency with compassion, and we're knowledgeable of the problem out there. We're not going to hide in sand and throw this person out and make believe there's not a problem. There is a problem. Let's find a resolution. Thank you."

Representative Sonson rose to respond, stating:

"Thank you very much. Just some clarification. Being in support of this bill would mean that we will stay with this streamline process. Opposition to this bill would mean we'll go back to that 18-month eviction process. So I would like to clarify that I am supporting this bill to ensure that there is a streamline process. My only opposition is to the exceptions that were entered for the disabled, and the mothers, etc. that was entered into the bill.

"The reason why I don't support that as I said, as there is a waiting list. If there is a concern that these people will not have a place to live again in the future; if such a rule does exist, that can be changed. Let's change that to say that, 'Okay, you'll get a second chance, but get into the back of the line.' The back of the line is where they belong if they broke the rules. Anyway, you stayed there for a whole year despite the fact that you broke the rules and that you haven't paid your rent, whatever.

"If you want to provide more housing I would agree with that, but that's not the reality at this point. The reality is that we have similarly situated people who are waiting in line and it is also compassionate for us to ensure that they get their turn.

"That is the only thing that I'm trying to explain to this Body. That it is not that I don't have compassion for these people that are being thrown out, although they have broken the rules and they overstayed for a whole year without paying the rent. It's not that I don't feel sorry for those individuals. It's that I feel sorrier for those people who are similarly situated, waiting to get into the public housing. And so at such time as we can provide public housing for everyone, I think it's incumbent upon this Body to ensure that those who have not had their chance to have this privilege to stay in public housing will be provided for. Thank you very much."

Representative Morita rose to speak in support of the measure with reservations, stating:

"Just wanted to register my strong reservations on this bill. I think in capturing people who break the rules or nonpayment of rent, we also heard in the hearing a lot of people who may have been chronically delinquent due to circumstances beyond their control. And these are people who are trying to make ends meet, but haven't been able to, being caught up in this unfortunate dilemma. And so I state my strong reservations."

Representative Halford rose in support of the measure and asked that the remarks of Representative Souki be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

Representative Pine rose in support of the measure with reservations and asked that the remarks of Representative Souki be

entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Ching rose in support of the measure with reservations, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in support with reservations on H.B. 2368 – Relating to Public Housing, which repeals the sunset date for expedited eviction procedures for tenants in public housing.

"This bill exempts the disabled, elderly and children from the eviction process. While it is the role of the State to assist those in need, including the disabled, elderly and children, the State must also protect and foster the stabilization of our housing sector. Reform needs to be made within the Department that respects and assists those in need while implementing appropriate repercussions for tenants who are habitually or criminally delinquent. We must not reward those who break rules, and exhibit a lack of respect for taxpayers' funds.

"We need a law that would streamline the eviction process and at the same time respect the due process rights of tenants. Serving and protecting our community is vital for Hawaii's future and residents."

Representative Finnegan rose in support of the measure with reservations, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Finnegan's written remarks are as follows:

"The stated purpose of this bill is to find ways to improve the public housing eviction process by making permanent the expedited eviction process (Act 227, 2002) and maintain the eviction process that was in place prior to the enactment of Act 227.

"I believe the opposite to be true. The comments I made before may be seen as being lacking compassion. If there is anyone that can say they appreciate the State's public housing, it is me. Our family, including me, lived in public housing. The story I spoke of earlier gave an example of how approximately six rental units were left vacant with the inability to house additional families with minors, persons 65 or older or the disabled. Six families suffer because of the one."

At 1:15 o'clock p.m., Representative B. Oshiro requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 1:17 o'clock p.m.

Representative Cabanilla rose to speak in support of the measure with reservations, stating:

"My apologies, Mr. Speaker. I think that this bill needs to go forward and I have strong reservations, but I would like it to go further so we can discuss more. So I'm changing my vote from no to with reservations. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2368, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC HOUSING," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Thielen voting no.

At 1:18 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 1873, HD 2	H.B. No. 2747, HD 2
H.B. No. 1968, HD 1	H.B. No. 3037, HD 1
H.B. No. 2367, HD 1	H.B. No. 2368, HD 2

H.B. No. 2710, HD 2

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 840-06) recommending that H.B. No. 2146, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2146, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 841-06) recommending that H.B. No. 2372, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2372, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 842-06) recommending that H.B. No. 2772, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2772, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Sonson rose to speak in opposition to the measure, stating:

"Thank you very much, Vice Speaker. I'm standing in opposition of this bill. The bill before us, Members and Mr. Speaker, makes it a Class B felony to inflict \$1,500 of damage to a plant, a bush, or an agricultural crop, and it makes it a Class C felony.

"Let me go back. A Class B felony carries the punishment of about ten years of incarceration, and a Class C felony amounts to five years of incarceration if you intentionally damage someone else's bush, plant, agricultural crop in an amount of \$500. And if you intentionally step on someone's lettuce, corn, and that causes 10 cents of damage, whatever damage whatsoever, you'll go to jail for one year.

"There's no provision here for appropriations to enlarge the Halawa facilities, so I'm quite worried about what these kinds of bills will do to our penal system. It is simply a statement I guess, that we support farmers. But I think it's really throwing the Penal Code for a loop when we look at and when we value agricultural crops in such a way that it merits this kind of punishment.

"What it also does, Mr. Speaker, is that because the punishment is so high it will ensure that the public defenders, the private defenders, those in the defense bar will ensure that these complaints or these charges against their clients will be fought to the teeth. They'll go to jury trials, they'll select jury trials, they'll really saturate the system. This is something we want to avoid.

"I think that we should support the farmers and that we should ensure that we protect the rights of farmers and letting the public know that it is a serious offense to step on someone's lettuce, but I don't think that a lettuce is worth a year in jail which actually means a year's worth of support for this individual to stay in jail. And it costs us a lot of money to do so. If this is an alternative to public housing, maybe it has some merits but I don't think so. I just think it's an overkill for something that's worthwhile, and that's why I'm opposed to it. Thank you."

Representative Moses rose to speak in support of the measure, stating:

"In support. This is not a matter of stepping on lettuce. This is a matter of the farms, the large farms losing tremendous amounts of crops. Pickup trucks driving in there and loading up, and then going and selling it at Aloha Stadium. So it's a serious offence.

"Any attorney in this room will probably know the Prosecutor is not going to waste his time if you stepped on somebody's lettuce by accident so I don't think we will have a problem with the prisons. And if we do, well maybe we should build prisons. Thank you."

Representative B. Oshiro rose to speak in support of the measure, stating:

"I rise in support. I just wanted to clarify I guess some of the comments made by the first speaker. You know one of the basic tenets that we have in our judicial system is that the judge is the one that imposes the sentence. So while the statute may say there is a maximum amount of jail time that a person is subject to, ultimately, ultimately that is within the judge's discretion in which to determine. Which is why this Legislature has consistently said that what we want is judges to have the discretion to look at what sentences are appropriate, and we don't have mandatory minimums unless there is a real compelling public policy.

"So when I think the first speaker is talking about a year in jail for stepping on a piece of lettuce. I mean obviously, the judge would take a look at what is the damage that is conducted, what is the damage that is felt by that farmer, and will issue the appropriate punishment. So I really think that that is a bit of an exaggeration. Thank you."

Representative Cabanilla rose to speak in opposition to the measure, stating:

"Just a quick rebuttal, Mr. Speaker. I think my colleague from Waipahu ... I'm in opposition. I think my colleague from Waipahu was just reiterating that putting this into law would open litigation. Litigation in which an expense incurred by the defendant. Even though we do know that a judge will have the final say in this, it will open up a new chapter in the law where it can be misused or you know cause undue duress to the people when it doesn't need to. Thank you, Mr. Speaker."

Representative Kanoho rose to speak in support of the measure, stating:

"In support, Mr. Speaker. Thank you. Last year we passed a bill making agricultural theft a criminal offense. But this is much more than that because not only are we faced with theft, and pity the poor farmers who work so hard, but there's also malicious, malicious destroying and damaging of crops so that not only is the banana or the fruits being taken, but the trees are being plundered and that's terrible. We have got to do something about it because this can be, and is very serious. Thank you."

Representative Sonson rose to respond, stating:

"Quick rebuttal. Thank you very much. I'd just like to point out what is already in the statute and try to compare. For a criminal property damage in the first degree, it will require a person to break into your house intentionally, knowingly, damage your stereo, or anything that's in your house, and puts a person in danger of death or a bodily injury, and the damage has to be \$20,000. A person who does that goes to jail for ten years. It's a Class B felony. But if you break into someone's farm and cause \$1,500 in damage to a plant, it doesn't need to place a person in danger of death and bodily injury. The punishment is the same. Does that make sense? Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2772, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL PROPERTY DAMAGE TO AGRICULTURAL AND AQUACULTURAL

PROPERTY," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Cabanilla and Sonson voting no.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 843-06) recommending that H.B. No. 3017, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3017, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TOBACCO PRODUCTS," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 844-06) recommending that H.B. No. 2199, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2199, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Morita rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in support of this measure. In a letter dated March 9, 2004, Governor Linda Lingle in a unilateral action authorized the US Trade Representative to offer access to the Hawaii State government procurement market in new trade agreements that the Trade Office was currently negotiating. And please remember that CAFTA, which passed Congress by two votes was not ratified until one year after the Governor submitted this letter.

"Further, the letter also stated that Hawaii would undertake the same commitments with regard to new agreements that the Trade Office had already undertaken under the WTO agreement on government procurement.

"All the WTO agreements and regional free trade agreements have ramifications for state power. That is, the ability to usurp state laws, regulations, and preferences. Hawaii needs to carefully consider the range of existing US commitments, implications of WTO, NAFTA and CAFTA, dispute decisions and what is proposed as part of new agreements. The Trade Office has not made any good faith efforts to engage states on impacts of its negotiations on states.

"Hawaii has many special needs and vulnerabilities. Any agreement that would commit Hawaii should fully engage our export promotional people, the Attorney General, and the State Legislature in how Hawaii can best benefit from the global economy while safeguarding our sovereignty and ability to act in the public interest. This law will help preserve our State sovereignty and retain our ability to make decisions about State procurement spending that benefits our local economic development and reflects our social and environmental concerns."

Representative Marumoto rose to speak in opposition to the measure, stating:

"Yes, Mr. Speaker. I am in opposition to this measure. The purpose of House Bill 2199, House Draft 2, is to prohibit binding the State to federal government procurement rules contained in certain international trade agreements without legislative action.

"I am concerned about this bill. This Legislature only convenes during the months of January to the beginning of May. However, the federal government is discussing and negotiating trade agreements throughout the entire year. It would be hard for the Legislature to discuss trade agreements when we are out of Session. For example, the Federal government asked Hawaii to comment on the US Central America Free Trade Agreement, CAFTA, in November 2003. The Legislature could not respond in a timely manner if a trade agreement is enacted while the Legislature is out of Session. It would also be difficult for the Legislature to discuss trade agreements

when we are in Session. It might take us from January to May to reach a decision. This bill definitely restricts not only the Governor's option to react quickly, but the State's option. Thank you, Mr. Speaker."

Representative Hale rose to speak in support of the measure, stating:

"Yes, Mr. Speaker. Thank you. I would like to say that at the very first time we discussed this ... I'm asking for approval. I'm for it. But there were two parts to the bill. It was to say that in the future we would not allow anything unless it was passed by law that would affect the Procurement Code. And there wasn't that much confusion about that because that is a national trend that's being supported by the State Council of Legislatures. But there was another part that went back and said that any other previous trade agreements that had been approved by not only this Governor, but other Governors, would be null and void unless we pass them by law.

"So there is question as to whether or not that is possible for us to do it. However the original proposal in House Draft 2 has both sides of the question. So we're hoping that this would go into Conference so that by the time we go to Conference, we will get some more definitive information as to what our actual powers are.

"This is something that is bringing national discussion by most of the countries, most of the states in the United States. And therefore one part of the discussion will be whether or not we will have the power to rescind previous actions, or whether we will just say that from the future, we will go on with such actions by law.

"So the question is still way up in the air and therefore we will welcome all the information that you get us now and that we do hope that this goes forward so that we can further discussion. Thank you, Mr. Speaker."

Representative Takumi rose to speak in support of the measure, stating:

"Thank you very much, Mr. Speaker. I'm in support and I wish to address the specific concerns raised by the Representative from Kahala about the timeframe because this issue has come up before.

"We only meet four months out of the year. These trade agreements happen on a different timeframe than our own legislative timeframe, and so that might result in some confusion.

"Well the fact the of the matter is, Mr. Speaker, trade agreements take years to both propose, and then ratify, and then implement. Just take CAFTA. I'm not even going to talk about the WTO, or the GATS that was embedded in the WTO.

"But let's take the latest trade agreement, CAFTA, regarding the six nations in Central America. That has been in deliberations and discussion for over four years and in fact the United States trade representatives sent letters to every governor in the country in September of '03 asking whether or not the state wanted to buy into the procurement section of that trade agreement.

"Governor Lingle signed on in March 8, 2004 as was mentioned earlier. It passed the Congress in July of 2005, and CAFTA has taken effect January 1 of this year. Just by that alone we can see the timeframe that that involved, and others can sign on today if they so desired. There is no deadline in which they can sign on to CAFTA. So we have ample time to deliberate the impact that CAFTA or other trade agreements have on our State.

"This is ultimately important when we realize currently the United States trade representatives negotiate various free trade agreements with 27 other countries, most of them are bilateral. The US-India trade agreement for example, that's currently in discussion. We could be discussing that trade agreement right now, if we had this law in place. That's point one.

"Point two is, it's really not a question about whether or not this Governor or any Governor should have the unilateral right to sign the State on to the procurement code of any specific trade agreement. I think it begs the questions whether or not we as a Legislature should at least be party to that agreement. As you well know, Mr. Speaker, anything to do with procurement codes in our State is not done by Executive Order. It is done by law.

"So when we do it by law, it means it has hearings so that the public can give input as to whether or not we should have a local buying preference for example. Not contracts. A 'buy green' kind of component in our contracts and people can see what they want and they come to a decision.

"This is the implication now that CAFTA has passed and we are party to the procurement section of it. Any one of those countries is now able to challenge our State laws as illegal barriers to trade. As I said including preferences for local companies and so on. But this also includes if we were to pass a law that says we will not do business with a country that has sweatshop labor or child labor, that is an illegal trade practice under CAFTA.

"I hope all of us here believes that we should not procure goods and services from countries that engage in child or sweatshop labor. That is a allowable under CAFTA and leaves us wide open for a challenge.

"Take gambling, I think we're all familiar with the recent ruling by the WTO. And there is a challenge about Internet gambling, and the United States lost on that. So again, this law would allow us to take a look at that and say, 'Do we want to allow Internet gambling to be legal?' Otherwise be open to a challenge by anyone in the WTO, which has 38 nations by the way.

"I think these are the questions that, whether or not we think it's in our best interest, should have legislative input. So whether it's CAFTA or NAFTA I think this is something we 'hafta' do. Otherwise we may end up getting the 'shaft'. Thank you very much, Mr. Speaker."

Representative Karamatsu rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, in support. Just with a little reservations. I agree with the Chair of International Affairs. For me the slightest concern I have is the retroactive part, going back in time. It could violate some backwater contract law where parties gave offers in consideration. Other than that I've been looking forward on the process in trade agreements. I totally agree with that. So we'll keep looking at some of the legal ramifications on the retroactive part of the bill. Thank you."

Representative Caldwell rose to speak in support of the measure, stating:

"Mr. Speaker, some brief comments in support. Mr. Speaker, actually this is probably one of the most important pieces of legislation we can look at this Session, if we're looking at it in terms of separation of power both Executive and legislative, federal and State. And as we all remember at the founding of our country, there was a great debate about whether the Executive branch had the right to make treaties with any country, and they finally hammered out a Constitution where they decided that not the House, but the Senate would have the ability to ratify treaties the Executive branch entered into. And that has worked for the past 250 years, almost, Mr. Speaker, very well.

"But recently under some of the new treaties that our government has been entering into, instead of just having it dealing federal with foreign countries. They've now driven it down to the states where they're having individual governors sign onto these international treaties, and as the speaker from Aiea mentioned it binds us on things

like procurement and having us have to agree that we're going to 'Buy Guatemala' when we may have 'Buy Hawaii', and somehow we're now beholden to an agreement that was set by our federal government for federal trade imposed on us at the State level.

"If that's going to happen and you're going to have Executive action being taken by the Governor of our State, then I think just like in the federal government, the Legislature has a role of advise and consent, and whether they too want to ratify this treaty. And therefore it is something that needs to be looked at very closely. It's critical to our Constitution, and our State, and our relationship with the federal government. It's something we should all take very seriously and have this legislation move on and look at it as it evolves. Thank you."

Representative Ching rose in support of the measure with reservations, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I rise with reservations on H.B. 2199 – Relating to International Trade Agreement.

"While this measure may allow for a more careful analysis of the pros and cons on the merits of volunteering Hawaii to be bound by international trade agreements' procurement rules by prohibiting binding the State to the government procurement rules contained in an international trade agreement without legislative action, this bill may cause loss of opportunities to improve the trade relations of our State. We must be mindful of legislation that adds bureaucracy to functions of the State, as well as take into consideration that the Legislature does not convene year-round."

Representative Lee rose in support of the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of this measure.

"This bill seems rather esoteric, but it makes an important clarification to how our State agrees to international trade agreements that would impact procurement rules for State spending. There are those who mistakenly believe that this bill affects the ability of the federal government to accept a trade agreement; it does not. The Constitution has delegated the President to enter into treaties with the consent of the Senate and the will of Congress shall be to advise the President on such negotiations. This measure does not reduce or alter that authority.

"Rather, this bill gives the Hawaii Legislature the ability to look at the language of the trade agreement and see how it affects our ability to regulate the manner of procuring goods intra-state. The Federal Government, in its expansive powers, has no mandated position to dictate how State governments go about procuring various goods and services, that is the domain of the State.

"Thus, this bill intends to remind the Governor that the Legislature is the body responsible for altering the laws that govern our procurement code and provides an avenue for those concerned to voice their opinions.

"I urge my colleagues to support this measure. Thank you very much, Mr. Speaker."

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. Another one I wasn't going to speak on. I had to at least register some reservations. I believe the federal government does have the right to make some treaties and when we

do so, it's binding upon the states. We fought a civil war over things and there is such a thing as the US Law. And yes, in the US Congress, the Senate does ratify treaties. That doesn't mean that the state Legislatures have the right to get involved. Thank you."

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I'm rising with some reservations. I just want to follow on the thought that the Representative from Makakilo had. I don't believe that the State, I don't believe has the constitutional authority to establish laws and rules that would oppose those established by the US government and the conduct of international trade. So that's the question in my mind. If we really can dictate against what the US government has already entered into. Thank you."

Representative Takumi rose to respond, stating:

"Thank you, Mr. Speaker. I'm still in support and brief rebuttal to the Representative from Makakilo's comments. Absolutely, when in doubt, read the bill. The bill does not impinge one iota on the ability for the federal government to sign a treaty, an international trade agreement. But the reason why the US Trade Representative asked the 50 governors in this country to sign a letter agreeing to bind their states to the procurement section is precisely because they do not have the right to bind every single state as it relates to the Procurement Code. Otherwise why would a request for a letter be sent out to every governor? That doesn't make any sense. If the federal government had absolute total control over procurement, he or she simply would have bound every single state, flat out.

"And the second point I need to, need to make is that when this request for letters went out, 27 governors in our nation signed on to it, and since then 8 governors have receded their letters because they have come to realize the negative impacts it has on their individual state. And it's not a partisan issue. As you well know, the National Conference of State Legislatures, which is a bipartisan, nonpartisan organization, requested that the US Trade Representative give a copy to the NCSL, when the governors sign on so they can get a list. That request was denied. Thank you very much, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2199, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INTERNATIONAL TRADE AGREEMENT," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Marumoto voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 845-06) recommending that H.B. No. 366, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 366, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE UNIVERSITY OF HAWAII COLLEGE OF TROPICAL AGRICULTURE AND HUMAN RESOURCES," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 846-06) recommending that H.B. No. 1817, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1817, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FIREWORKS," passed Third Reading by a vote of 51 ayes.

At 1:43 o'clock p.m., Representative B. Oshiro requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 1:43 o'clock p.m.

At 1:44 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2146, HD 1	H.B. No. 2199, HD 2
H.B. No. 2372, HD 2	H.B. No. 366
H.B. No. 2772, HD 1	H.B. No. 1817, HD 1
H.B. No. 3017, HD 2	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 847-06) recommending that H.B. No. 1833, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1833, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FIREWORKS," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Cabanilla voting no, and.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 848-06) recommending that H.B. No. 2177, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2177, pass Third Reading, seconded by Representative B. Oshiro.

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I rise in support with some reservations. My reservations are that the purpose of this bill is to amend Article VII, Section 12 of the State Constitution to authorize the issuance and use of proceeds from special purpose revenue bonds to assist agricultural businesses operating on important agricultural lands.

"In Committee, the Department of Budget and Finance recommended that the authorizing language be made broader by deleting the phrase, 'operating on important agricultural lands' so it would cover more lands than the proposed amendment to provide for a less restrictive authorization. Budget and Finance also recommended changing 'agricultural businesses' to 'agricultural enterprises' to maintain consistency with existing special purpose revenue bond authorizations.

"This clarification of the language would keep the proposed amendment consistent with current statutes and widen the range of eligibility for prospective agricultural recipients. Mr. Speaker, I would like to see these changes made before final passage of this measure. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2177, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 12, OF THE HAWAII STATE CONSTITUTION," passed Third Reading by a vote of 51 ayes.

H.B. No. 2177 passed Third Reading in the following form:

H.B. No. 2177

A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 12, OF THE HAWAII STATE CONSTITUTION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. The purpose of this Act is to propose an amendment to Article VII, Section 12, of the Hawaii State Constitution, to authorize the State to issue special purpose revenue bonds and use the proceeds from the bonds to assist agricultural businesses operating on important agricultural land.

SECTION 2. Article VII, Section 12, of the Constitution of the State of Hawaii is amended to read as follows:

"DEFINITIONS; ISSUANCE OF INDEBTEDNESS

Section 12. For the purposes of this article:

1. The term "bonds" shall include bonds, notes and other instruments of indebtedness.

2. The term "general obligation bonds" means all bonds for the payment of the principal and interest of which the full faith and credit of the State or a political subdivision are pledged and, unless otherwise indicated, includes reimbursable general obligation bonds.

3. The term "net revenues" or "net user tax receipts" means the revenues or receipts derived from:

a. A public undertaking, improvement or system remaining after the costs of operation, maintenance and repair of the public undertaking, improvement or system, and the required payments of the principal of and interest on all revenue bonds issued therefor, have been made; or

b. Any payments or return on security under a loan program or a loan thereunder, after the costs of operation and administration of the loan program, and the required payments of the principal of and interest on all revenue bonds issued therefor, have been made.

4. The term "person" means an individual, firm, partnership, corporation, association, cooperative or other legal entity, governmental body or agency, board, bureau or other instrumentality thereof, or any combination of the foregoing.

5. The term "rates, rentals and charges" means all revenues and other moneys derived from the operation or lease of a public undertaking, improvement or system, or derived from any payments or return on security under a loan program or a loan thereunder; provided that insurance premium payments, assessments and surcharges, shall constitute rates, rentals and charges of a state property insurance program.

6. The term "reimbursable general obligation bonds" means general obligation bonds issued for a public undertaking, improvement or system from which revenues, or user taxes, or a combination of both, may be derived for the payment of the principal and interest as reimbursement to the general fund and for which reimbursement is required by law, and, in the case of general obligation bonds issued by the State for a political subdivision, general obligation bonds for which the payment of the principal and interest as reimbursement to the general fund is required by law to be made from the revenue of the political subdivision.

7. The term "revenue bonds" means all bonds payable from the revenues, or user taxes, or any combination of both, of a public undertaking, improvement, system or loan program and any loan made thereunder and secured as may be provided by law, including a loan program to provide loans to a state property insurance program providing hurricane insurance coverage to the general public.

8. The term "special purpose revenue bonds" means all bonds payable from rental or other payments made to an issuer by a person pursuant to contract and secured as may be provided by law.

9. The term "user tax" means a tax on goods or services or on the consumption thereof, the receipts of which are substantially derived

from the consumption, use or sale of goods and services in the utilization of the functions or services furnished by a public undertaking, improvement or system; provided that mortgage recording taxes shall constitute user taxes of a state property insurance program.

The legislature, by a majority vote of the members to which each house is entitled, shall authorize the issuance of all general obligation bonds, bonds issued under special improvement statutes and revenue bonds issued by or on behalf of the State and shall prescribe by general law the manner and procedure for such issuance. The legislature by general law shall authorize political subdivisions to issue general obligation bonds, bonds issued under special improvement statutes and revenue bonds and shall prescribe the manner and procedure for such issuance. All such bonds issued by or on behalf of a political subdivision shall be authorized by the governing body of such political subdivision.

Special purpose revenue bonds shall only be authorized or issued to finance facilities of or for, or to loan the proceeds of such bonds to assist:

1. Manufacturing, processing, or industrial enterprises;
2. Utilities serving the general public;
3. Health care facilities provided to the general public by not-for-profit corporations;
4. Early childhood education and care facilities provided to the general public by not-for-profit corporations;
5. Low and moderate income government housing programs; [er]
6. Not-for-profit private nonsectarian and sectarian elementary schools, secondary schools, colleges and universities[;]; or
7. Agricultural businesses operating on important agricultural land,

each of which is hereinafter referred to in this paragraph as a special purpose entity.

The legislature, by a two-thirds vote of the members to which each house is entitled, may enact enabling legislation for the issuance of special purpose revenue bonds separately for each special purpose entity, and, by a two-thirds vote of the members to which each house is entitled and by separate legislative bill, may authorize the State to issue special purpose revenue bonds for each single project or multi-project program of each special purpose entity; provided that the issuance of such special purpose revenue bonds is found to be in the public interest by the legislature; and provided further that the State may combine into a single issue of special purpose revenue bonds two or more proposed issues of special purpose revenue bonds to assist not-for-profit private nonsectarian and sectarian elementary schools, secondary schools, colleges, and universities, separately authorized as aforesaid, in the total amount of not exceeding the aggregate of the proposed separate issues of special purpose revenue bonds. The legislature may enact enabling legislation to authorize political subdivisions to issue special purpose revenue bonds. If so authorized, a political subdivision by a two-thirds vote of the members to which its governing body is entitled and by separate ordinance may authorize the issuance of special purpose revenue bonds for each single project or multi-project program of each special purpose entity; provided that the issuance of such special purpose revenue bonds is found to be in the public interest by the governing body of the political subdivision. No special purpose revenue bonds shall be secured directly or indirectly by the general credit of the issuer or by any revenues or taxes of the issuer other than receipts derived from payments by a person or persons under contract or from any security for such contract or contracts or special purpose revenue bonds and no moneys other than such receipts shall be applied to the payment thereof. The governor shall provide the legislature in November of each year with a report on the cumulative

amount of all special purpose revenue bonds authorized and issued, and such other information as may be necessary."

SECTION 3. The question to be printed on the ballot shall be as follows:

"Shall the State be authorized to issue special purpose revenue bonds and use the proceeds from the bonds to assist agricultural businesses operating on important agricultural lands?"

SECTION 4. Constitutional material to be repealed is bracketed and stricken. New constitutional material is underscored.

SECTION 5. This amendment shall take effect upon compliance with article XVII, section 3, of the Constitution of the State of Hawaii.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 849-06) recommending that H.B. No. 2240, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2240, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 850-06) recommending that H.B. No. 2670, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2670, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Stevens rose to speak in opposition to the measure, stating:

"Mr. Speaker, I rise in opposition. Thank you. 85% of Hawaii's workers are currently covered under some form of insurance. It's uncertain how this universal system would be financed and if it would be able to accommodate the additional costs of providing healthcare for those that are not currently insured.

"Budget and Finance is unsure how the healthcare plans for the Employer Union Health Benefits Trust Fund and plans of the private employers would be combined into a single entity. A standard 'one-size-fits-all' system is likely to benefit some persons and harm others. No state has found a combined healthcare motor vehicle and workers' compensation system to be effective.

"I believe this bill would create a monopolistic government healthcare authority that would combine different types of insurance merely because they contain some form of medical coverage. So for those reason, I'll be voting no on this measure. Thank you."

Representative Moses rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, in opposition. In addition to the previous comments which I'd like incorporated in my comments as if they were my own, a healthcare taskforce was created by Act 223 in 2005. It has submitted an interim report and is awaiting an analysis by the Lewin Group comparing the single payer system with the existing system.

"A final report is expected in June of this year. We should wait for the taskforce's recommendation before we act on this type of health care and spend the taxpayer's money on creating an authority to develop plans for universal healthcare that may not be recommended by the task force.

"If this system were in place, automobile insurance would need to be changed to a pure tort system and exclude all medical coverage. Workers' compensation coverage if available, would cover only indemnity coverage at significantly high prices since there would be no control of medical treatment or return to work. Hawaii's policies would be amended to exclude any medical coverage according to the Hawaii Insurance Council. It is also uncertain how this bill addresses the federal HIPAA compliance.

"If all of that wasn't bad enough, universal healthcare, Canada's publicly financed health insurance system is frequently described as the third rail of its political system and a core value of its national identity, is gradually breaking down. Private clinics are opening around the country at an estimated one per week.

"Canada is a country where a dog can get a hip replacement in under a week, and which humans can wait two or three years. A Supreme Court ruling last June from the Quebec provincial ban on private health insurance was unconstitutional when patients were suffering and even dying on waiting lists. Canada has a national doctor shortage with 1.4 million people in the Province of Ontario alone without the services of a family doctor. Hawaii could lose many doctors if this bill passes. 'The median wait time between a referral by a family doctor and an appointment with a specialist in Canada has increased to 8.3 weeks last year, from 3.7 weeks in 1993.' That's according to a recent study by The Fraser Institute. 'Meanwhile the median wait between an appointment with a specialist and treatment has increased to 9.4 weeks, from 5.6 weeks over the same period.' The average wait times between referral by a family doctor and treatment range from 5.5 weeks for oncology and 26 weeks for a hip replacement.

"I have a article I wish to insert in the Journal, which explains all this. It's a recent *New York Times* article about a week ago, and it covers all this information I just gave you on Canada."

The Chair then stated:

"Representative, I'm not going to permit that since you already basically said what's in the article. We'll use your speech for that purpose."

Representative Moses continued, stating:

"Okay I'll just reference it then. It's the *New York Times*, February 28, 2006."

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

"Thank you, Mr. Speaker. In very strong support. Mr. Speaker, I would admit that maybe ideals like these are slightly ahead of our time and are hard to envision for some of us. But you know, when I meet with my colleagues, other Health Chairs from across the country as we meet three or four times a year, they're looking at Hawaii and they're just hoping and even praying for our success. We need to realize that it doesn't matter whether they're Democratic or Republican. They realize that their state treasury and even our national budget may go bankrupt because of healthcare costs rising. We're going to reach what we call a perfect storm. A point where either we're going to have to decide to keep paying into the system or to start rationing healthcare.

"And I guess it's easy for us to sit here, all of us with our State paid healthcare plans. Why should we change? We've got it made. We've got probably the best kind of health plans in the State. Each one of us maybe, except for some the Session workers, but there are many others who don't have that same luxury.

"And I guess it comes down to that philosophical debate on whether healthcare should be a right or a privilege. I know some people believe it's a privilege. But when you think about it, what is life without health? What is the quality of life without health? It is

something everyone should have access to because it has everything to do with a productive workforce. When it comes to providing quality healthcare for everyone, we're talking about the future, not only of our State, but our country.

"If somebody asks how we're going to pay for it. We are already paying for it. We're paying millions of dollars. We have more than enough resources. But if we're going to wait for the players to come together and come up with a solution, it's not going to happen. It's going to take political will on our part to set the policy and say this is what we should be doing. Use our resources wisely. Use it to reimburse appropriately, the providers, and use it to provide quality healthcare for everyone. That is the goal of this bill. If we're going to wait for the federal government then I think many people are going to end up dying before we realize any kind of universal healthcare.

"So, Mr. Speaker, this is just a vision maybe for now, but let's think about the future. Let's think about the future of Hawaii and how we can make it not just a health State, but a healthier State. Thank you, Mr. Speaker."

Representative Green rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. Just a brief additional comment. In support. I'd like to recognize Ah Quon McElrath and her vision for helping support our work on this bill. And I would say that this is work, it's a work in progress, and I commend our colleagues for supporting the concept of focusing on healthcare as a priority for the State.

"That's what this bill is about. It's about planning. I imagine a time in the future, not necessarily it'll be a single payer system. I don't know. But if we don't plan for the inevitable, which is that the healthcare system will evolve and everyone deserves and needs healthcare. If we want long term plans in place that will bring the best minds that we can find together to work on these problems, we'll find ourselves tragically behind the '8-ball' on a set of programs that we have to have for everybody.

"So again, the taskforce is doing its work. I'm happy that we have hired a good consultant to work on this problem for the State. And I would encourage our colleagues to continue to support this bill toward the end of Session to see what the results that we do come up with so we know whether or not it's something we have to begin enacting now, or we continue to look at for the future. Thank you, Mr. Speaker."

Representative Moses rose to respond, stating:

"Thank you. Remaining in opposition. And I just want to make sure that everybody understands, since I'm a consumer of healthcare, that my opposition is not to the cost. It is just pointing out the fact that universal healthcare has not worked anywhere it's been tried and so we shouldn't try that. We should try something else and we should look forward to this report. Thank you."

Representative Meyer rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I'm rising in opposition to this measure. We're going to spend \$500,000 for this Hawaii Health Authority to explore this universal health plan as if it's a new idea when it's been going on in Britain and Canada, and Cuba and all kinds of places. We have a pretty good track record on how universal healthcare has worked, or has not worked. I just wanted to share some information that was in a recent article in a recent magazine. We are paying a lot of money, but we're getting a lot more healthcare than most people are in these socialized medicine countries.

"Here are some statistics to consider. Two measures where the quality of medical services can have a dramatic impact. Recovery

rates from breast cancer for women, and prostate cancer for men. Among women diagnosed with breast cancer only 20% die of it in United States, compared to 33% in France and Germany, and nearly 50% in United Kingdom. Among men diagnosed with prostate cancer, less than 20% die of it in United States, compared to 25% in Canada, and almost 50% in France, and over 50% in United Kingdom.

"While many Americans would like our healthcare system to look more like those in Europe, what's going on now is over the course of the past decade, almost every European country with a national healthcare system has introduced market oriented reforms and turned to the private sector to reduce the cost of care and increase the availability of effective treatment. So I think there's plenty of data out there. And since another speaker mentioned in Hawaii we're kind of way ahead of a lot of the other states, almost 85% of the people here have some kind of medical coverage. So for those reason, I'm not in favor of this measure. Thank you, Mr. Speaker."

Representative Ching rose in opposition to the measure and asked that the remarks of Representatives Meyer and Moses be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2670, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 41 ayes to 10 noes, with Representatives Ching, Evans, Finnegan, Marumoto, Meyer, Moses, Pine, Stevens, Stonebraker and Thielen voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 851-06) recommending that H.B. No. 2823, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2823, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BILL OF RIGHTS DAY," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 852-06) recommending that H.B. No. 2928, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2928, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Shimabukuro rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Shimabukuro submitted the following testimony:

"Testimony Submitted by Ianuali Kaonohiokalanikoholua
Anapuka, Hilo, Hawaii

I wish to testify in support of this bill. We are given the right as Hawaiians towards gathering resources/materials to build "hales"/"indigenous architecture." The ability to build hale is critical in the development of our culture in the use of kau hale (villages) for community cohesion. The kau hale is a series of hale all designed for a specific purpose. We have meeting and gathering houses, a women's house, a men's house and sleeping houses. Each one of these buildings, with its purpose in mind, has much meaning for the overall well-being of the community.

The current Building Codes do not allow us to employ these cultural practices. It is important for us, as Hawaiians, to be able to live in a way that has proven to work for over 2,000 years.

I have stayed in a hale in the past and never have found health and safety issues to be a problem if designed correctly. It is very rare in today's world to see hale. Even more rare is to see hale on residential properties. I have been able to see hale in public, but it seems they are being used in hotels for tourists to enjoy. Yet Hawaiians, under the current housing crisis, are unable to employ these building techniques.

It is very difficult for me to see why Hawaiians are unable to use building techniques that they have used for 2,000 years, while tourists gawk at the ingenious and simple design of these hale.

This bill would create a seamless process allowing the people of Hawaii to build their own homes without depending on very expensive imported materials. It is important to emphasize pono (proper) harvesting techniques to assure that our resources remain sustainable. Using today's technology, I believe we can look to the past—2,000 years of success—to create a progressive and sustainable future for Hawaii's people.

Ianuali Kaonohiokalanikoholua"

Representative Kahikina rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Kahikina's written remarks are as follows:

"Mr. Speaker, I rise in support of this measure, relating to counties; building code; and indigenous Hawaiian architecture.

"The purpose of this bill is to allow the use of the techniques, styles, and customs of indigenous Hawaiian architecture to be employed in present-day construction in the state. This measure:

1. Protects all rights, customarily and traditionally exercised for subsistence, cultural and religious purposes by native Hawaiians.
2. Requires counties to adopt ordinances to allow buildings designed using practices, styles, customs, techniques, and materials from indigenous Hawaiian architecture.

"From the turn of the 20th century to the dawning of the 21st, Hawaiians endured a hundred years of forced assimilation into mainstream American culture and lifestyle. Despite evidence that the Hawaiian kingdom was one of the most highly literate nations in the latter half of the 19th century, the Hawaiian language was banned from the public and private school systems in 1896. It remained an unrecognized language by the government for nearly a century. The English-only legislation was among the most destructive colonial acts against Native Hawaiians – it resulted in a precipitous decline in the indigenous understandings of their own culture, history, values, spirituality, practices and identity as a people.

"This measure works toward the reestablishment of social, religious and cultural awareness and respect for Hawaiian culture and practices. Incorporating Hawaiian, architecture and styles is a way of increasing Hawaiian cultural awareness, historical significance and pride."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2928, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE COUNTIES," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 853-06) recommending that H.B. No. 2961, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2961, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 51 ayes.

At 1:59 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 1833, HD 1	H.B. No. 2823, HD 1
H.B. No. 2177	H.B. No. 2928, HD 1
H.B. No. 2240	H.B. No. 2961, HD 1
H.B. No. 2670, HD 1	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 854-06) recommending that H.B. No. 3126, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3126, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in opposition to the measure, stating:

"Just briefly. I'm not on the Health Committee, but what I understand is ... In opposition. I understand this measure is to do away with the identification bracelets, the 'do not resuscitate' bracelets. And I heard that one of the reasons is just because we don't make them here and they have to come from the mainland, but I don't know if that's the case. But what I see is now if somebody goes into an apartment to respond to a 911 call or something, and you have to look on the refrigerator to see if there's ones of these notes. This is kind of strange to me.

"And if somebody is walking through the mall and he clutches their chest and falls down. Anybody around him is going to try and resuscitate whether they know that there's a do not resuscitate order or not. So I'm just confused why we're doing this. Thank you, Mr. Speaker."

Representative Ching rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, just I would like to register my reservations on this bill. I recently had a personal experience with some of the pitfalls and flaws of a system that is related to this as advanced directives.

"Until someone's really experienced, what this type of advanced directive means, 'do not resuscitate,' this sort of thing, there are so many pitfalls because often times somebody they put on their identification, don't resuscitate me, don't use any "heroic efforts" and that sort of things. Things change and sometimes what some people think might be an unrevivable person, unconscious, etc., can sometimes be false. And you're talking about taking somebody's life when maybe they're going to recuperate.

"So having had this type of personal experience and situation, I have to ask that my colleagues take a better look at this. Thank you."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I'm sorry. I'm a little slow. I'm rising in support with some reservations. I think these advanced directives, initially people might have them, no doubt, because they are concerned about when they are in a hospital, and there's no hope. They don't want their families to do heroic things to try to keep them alive. But to expect an emergency person who has been called because somebody cares about this person, I think it's better to err on the side of life. Let them do what they need to to stabilize that person and get them to the hospital.

"When their families come and are made aware by the doctor of whatever the situation is, that's where you can make a decision whether you're going to do more procedures or whatever it takes. But it seems like these bracelets are, if I pass out at the bus stop and if I got this bracelet. I mean I made out that directive thinking when I get to be 75 and have a stroke and I'm in the hospital for a week. You know I'd like to have a little lead-time before they decide let's do nothing.

"So those are my concerns with this bill, probably the whole concept of it. But I don't think there should be this onus on the emergency people that come, not to do anything, if somebody says, 'Well, I think they have an advance directive.' I think they should do whatever they need to do. Get them to the hospital and stabilize them. Then the family can come and be concerned about that do not resuscitate. Thank you.'

Representative Cabanilla rose to speak in support of the measure, stating:

"Mr. Speaker, I would like to comment that being an intensive care nurse for 20 something years ... I'm standing in very strong support of the measure. Being that I am an intensive care nurse for over 20 years, I feel that we need these rules on the book. Most likely, right now, without this policy, when EMS shows up at a scene where they're being called to, they have to do a full blown type of resuscitation on that person. After a while the family members come and show up, and says, 'No. He has a living will that says so.'

"It's been very difficult for the healthcare providers to take off those measures that they have put on. Intratracheal tube, IV therapy, and do a full-blown resuscitation of this person. It is very difficult then to retrieve or retract whatever you've done. And it almost takes an act of Congress to take off that intratracheal tube that that person maybe, did not want to begin with. Yes, I strongly support this, being a player in the field that does enforce this kind of regulations. We need this. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3126, entitled: "A BILL FOR AN ACT RELATING TO RAPID IDENTIFICATION DOCUMENTS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 855-06) recommending that H.B. No. 1904, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1904, pass Third Reading, seconded by Representative B. Oshiro.

Representative Lee rose to speak in support of the measure, stating:

"Mr. Speaker, I stand in support of this measure. Thank you. I think probably most of you have experienced complaints from schools in your districts regarding traffic and the traffic situation around the schools. It's very common for there to be traffic congestion around many of our schools. A lot of it is a result of poor planning.

"When we visited the Neighbor Islands, we also noticed there were lots of complaints about traffic and unsafe conditions. So this bill is

really important because it will enable the Department to carry on a statewide traffic study of the situations at the schools. At the same time it will bring down federal moneys available under the SAFETEA-LU federal legislation. So I urge members support."

Representative Yamane rose in support of the measure and asked that the remarks of Representative Lee be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1904, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC SAFETY AT PUBLIC SCHOOLS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 856-06) recommending that H.B. No. 1918, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1918, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COMMISSION ON SALARIES," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 857-06) recommending that H.B. No. 2215, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2215, entitled: "A BILL FOR AN ACT RELATING TO CONCESSIONS ON PUBLIC PROPERTY," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 858-06) recommending that H.B. No. 2271, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2271, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Kanoho rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In support. This is a very important bill because for years we've been trying to address a problem of our farmers on public lands whose leases, many of which will be expiring. For years we were trying to address this problem because DLNR policy requires that the lease be put up for auction, to the consternation of our farmers.

"This finally completes the transfer of management of public agricultural leases from DLNR to the Department of Agriculture. We actually did that in 2003, but without providing the guidelines. This bill provides those guidelines, which gives the DOA flexibility in managing those leases. And this would be a great for farming and agricultural industry. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2271, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NON-AGRICULTURAL PARK LANDS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 859-06) recommending that H.B. No. 3217, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3217, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Carroll rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I rise in strong support of this measure and would like to insert comments," and the Chair "so ordered."

Representative Carroll's written remarks are as follows:

"House Bill 3217, which proposes the creation of Kupuna Recognition Day calls for an annual holiday to commemorate the significant role that *kupuna* play in Hawaii's culture, history, and traditions. Though not a paid state holiday, the fourth Saturday of July would serve as Kupuna Recognition Day.

"Here in Hawaii, *kupuna* tradition has long been responsible for the passage of knowledge from the elders. Whether it was hula, canoe building, or *la'au lapa'au*, watching and learning from the *kupuna* was a trusted pedagogy. These teaching methods were responsible for maintaining a rich oral tradition and carrying centuries-old wisdom forward.

"Though the exchange of *kupuna* knowledge certainly continues in various disciplines today, it is not as widely practiced. Our *kupuna* have acquired lifetimes of skill and understanding; and yet, when they should be tapped as a resource, the elderly are too often overlooked or discounted as irrelevant in these modern times.

"I hope to change these kinds of attitudes against the State's elderly, which is why I ask my colleagues to please support House Bill 3217."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3217, HD 1, entitled: "A BILL FOR AN ACT RELATING TO KUPUNA RECOGNITION DAY," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 860-06) recommending that H.B. No. 1867, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1867, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I would like to enter my comments with reservations. Thank you. This is a big problem when you have an injured employee that really does need access to care and there is sometimes a delay and I think a lot of it is administrative, and I'm not quite too sure that we put our finger on it yet.

"This bill may be a little radical in that it allows for the continuation of care not knowing whether or not in fact, the employee is eligible for it. So I'd like to see this bill continue on because as an employer in the past, this is a concern and I encourage it to move on. Thank you."

Representative Meyer rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I'm rising in opposition to this measure. This bill looks like it's intended to remove the employer's rights to approved treatment plans. It also overrides the workers' comp fee schedule and negates the 'reasonable and necessary language in current law.' It sets up a situation where if medical treatment continues and then is found to have been unnecessary, the insured worker would be responsible for paying the bill.

"This could very well increase workers' comp premiums if passed as written. There is no provision in the bill for the employer to recover treatment cost if the doctor later determines treatment was

unnecessary or related to the original injury. So I can't support it as it's written right now. Thank you, Mr. Speaker."

Representative Stevens rose to speak in support of the measure with reservations, stating:

"I rise in support with some reservations. This bill changes the employee-employer balance regarding the method by which medical care can be terminated. I believe it's unnecessary as there are currently adequate safeguards in statute, administrative rules, and current practices to ensure that an individual receives the appropriate medical care for as long as the condition requires. So those are my reservations for this bill. Thank you."

Representative Marumoto rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I would like to register some reservations on this measure. I think it will increase workers' comp premium cost. Thank you."

Representative Finnegan rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. With reservations and the words from the Representative from Kakaako as my own. Thank you. I'm sorry. I just realized that in Downtown, there's Kakaako and Downtown. I'm not sure ... I actually want the Representative from Downtown," and the Chair "so ordered." (By reference only.)

Representative Sonson rose to speak in support of the measure, stating:

"In strong support, Mr. Speaker. There are no adequate safeguards out there for people who don't have other forms of insurance. Some workers' comp claimants have a claim where they cannot go back to work because of their injury. They lose, some of them do lose their regular insurance like HMSA, Kaiser, that's provided from the employer because they haven't worked for a certain period of time. When that happens at some point in time during the claim, the insurance companies would subject them to an IME. A paid professional doctor who would give an opinion that says, 'This person doesn't need any more treatment.' That would be in disagreement to another doctor that says, 'No, he needs more further treatment.'"

"More than likely the insurance carrier will take the opinion that they paid for from the insurance doctor or the independent medical examiner, whatever you call that person, that doctor, that gives the opinion that no treatment is needed. They will take that over the opinion of the treating provider who is the one that's engaged with this patient on a more regular basis.

"So this opinion then will allow the insurance company to say, 'We're going to cut off your medical. We're not going to provide you with any more medical,' and at that point, what is that person going to do for medical treatment? They can't do anything. The attorney, if that person is lucky enough to be represented, will then file a petition in the form of a WC5, request for a hearing during that administrative process, but that usually takes about three to six months, or even longer, just to get on calendar.

"So for all of that time, there's no medical treatment being given to this particular person. And if that person goes to a hearing and wins, they'll still have to wait about 60 days before they can get to the point where that person can get treatment if the Director's order is not appealed. If the Director's order is appealed, there is no treatment. So you're looking at six months maybe, plus another two months, and then it goes through the appeals process. It goes through the appeals process then you have another year, maybe longer without medical treatment.

"In the end, if the claimant is the winner on the appeal side and it stops there, you have a claimant that's going to be more difficult to put back into the workplace because of the reason that that person has not received proper medical treatment.

"This is a call of the Legislature. Who do we care about and who do we support in this particular instance when there's a difference in opinion? You know that the doctor that gives that opinion has no liability whatsoever. The person or the doctor that's hired by the insurance company, which may put out this person without medical for periods of time. There may be irreparable damage to his medical condition has no liability at all whatsoever under law. So we should err in the worker's side of the particular situation. Support this bill. Thank you."

Representative Moses rose to speak in opposition to the measure, stating:

"In opposition. This measure overrides the workers' comp medical fee schedule and negates the reasonable necessary language in current Hawaii law. I'm concerned, Mr. Speaker, because you know we're not allowed as a State to explore or investigate employees' suspected abuses even if they appear very, very evident. But we can investigate, employer irregularities. So it is already very one sided for the employee. So we have to give some balance to this. Thank you."

Representative Pine rose to speak in support of the measure with reservations, stating:

"Yes, Mr. Speaker, I just wanted to also note my strong reservations on this bill based on the fact that it may increase premium costs. Thank you."

Representative Ching rose to speak in support of the measure with reservations, stating:

"Thank you. I also ask that my reservations be noted, and my concerns on the increased workers' comp."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1867, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Third Reading by a vote of 48 ayes to 3 noes, with Representatives Meyer, Moses and Stonebraker voting no.

At 2:16 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 3126	H.B. No. 2271, HD 1
H.B. No. 1904	H.B. No. 3217, HD 1
H.B. No. 1918, HD 1	H.B. No. 1867, HD 1
H.B. No. 2215	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 861-06) recommending that H.B. No. 1021, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1021, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 862-06) recommending that H.B. No. 1706, HD 2, as amended in HD 3, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1706, HD 3, entitled: "A BILL FOR AN

ACT RELATING TO THE UNIFORM ENVIRONMENTAL COVENANTS ACT," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 863-06) recommending that H.B. No. 2040, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2040, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Lee rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of this measure.

"Senator Hiram L. Fong's accomplishments are well known. In addition to his distinguished political career, Senator Fong was a successful businessman and community leader.

"In 2005, the Legislature established the Senator Fong Commission to research and find means to honor and recognize Senator Fong. The Commission has completed its work and its highest priority suggestion was the creation of a scholarship at the University of Hawaii in Senator Fong's name.

"HB 2040 HD1 would establish the Senator Hiram L. Fong Scholarship Program and provide initial funding for the program. This is a suitable way to honor a great man and I ask that my colleagues support this measure and send it on to the Senate. Mahalo."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2040, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE SENATOR HIRAM L. FONG SCHOLARSHIP PROGRAM," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 864-06) recommending that H.B. No. 2045, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2045, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Lee rose to speak in support of the measure, stating:

"Mr. Speaker, for 864, Relating to Perinatal Care, I have remarks to insert into the Journal. I would just like to say for those who may not know what perinatal means ... I'm in support. Perinatal is relating to the period before and after childbirth. Usually the five months before and one month after birth and so this is a critical time for mother and baby.

"Establishment of this clinic at the University of Hawaii School of Medicine would be part of the war on ice and today's editorial in the paper said, 'What happened to the war on ice?' Well, I think this is something that we can do to contribute to the war on ice. Thank you."

The Chair then stated:

"Were you going to insert written comments as well?"

Representative Lee: "Yes. I can give a long speech if you like."

Vice Speaker Takai: "No thank you. Written comments are preferred. Thank you Representative."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of this measure.

"Today's *Advertiser* asks: "What happened to the War on Ice?". Here is one answer.

"Perinatal" is defined as relating to the period before and after childbirth usually the five months before and one month after birth. Obviously this is a critical time for mother and baby. Good health habits during that period can set a *keiki* on the course for a happy and healthy life. Maternal drug, alcohol and tobacco use, however, can have a very negative effect on the health of a fetus.

"In 2000, Child Welfare Services received reports of 208 drug-exposed infants. Most of them had been exposed to methamphetamine. In addition, about 20% of pregnant women in Hawaii drink and about the same percentage smoke. All of these practices can have serious consequences for the *keiki*'s health.

"Unfortunately, women who use illegal drugs are the least likely to seek perinatal care many for fear that their children will be taken from them. This measure would establish a pilot perinatal clinic at the John A. Burns School of Medicine. The clinic will provide care for women with a history of substance abuse to provide them substance use counseling and psychiatric care. The clinic will also provide case management coordinating its efforts with CWS and social service providers.

"We must do what we can to protect the innocent victims of maternal drug, alcohol and tobacco abuse. This pilot program is an important step in protecting the next generation, for as we all know, the children are our future.

"I urge my colleagues to support this measure. Mahalo."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2045, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PERINATAL CARE," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 865-06) recommending that H.B. No. 2066, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2066, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOMELESSNESS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 866-06) recommending that H.B. No. 2263, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2263, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLING INVASIVE SPECIES," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 867-06) recommending that H.B. No. 3087, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3087, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative B. Oshiro rose to disclose a potential conflict of interest, stating:

"Mr. Speaker. On Standing Committee Report 867, House Bill No. 3087, I'd like to request a ruling on a potential conflict of interest. Similar to Second Reading, one of my clients is HHSC and I specifically advise them on procurement policies. I was excused on Second Reading."

The Chair then ruled:

"You're excused from the vote on that particular measure."

Representative Kawakami rose to speak in support of the measure, stating:

"Mr. Speaker, in support of House Bill 3087. I'm in strong support of this measure, Mr. Speaker, Relating to Procurement. The measure seeks to raise the current procurement threshold for smaller purchases from \$25,000 to \$50,000.

"This measure is especially beneficial for our smaller and Neighbor Island hospitals that were often hampered by the current threshold of \$25,000 enacted since 1993. By raising the level of the small purchases to \$50,000, we will not only help the Neighbor Island hospitals operate a little bit more efficiently, but also it would help the Judiciary, the State, the Senate, the Legislature, the University of Hawaii and even the Department of Education. So I'm in favor of this measure. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3087, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Third Reading by a vote of 50 ayes, with Representative B. Oshiro being excused.

At 2:20 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 1021, HD 2	H.B. No. 2066, HD 2
H.B. No. 1706, HD 3	H.B. No. 2263, HD 2
H.B. No. 2040, HD 2	H.B. No. 3087, HD 2
H.B. No. 2045, HD 2	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 868-06) recommending that H.B. No. 3098, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3098, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"I thought someone else was rising, Mr. Speaker, but I have some reservations on the measure. This measure, HB 3098, HD 2, there's portions of it that I do support. It brings a civil service employees at conversion Charter Schools the same rights and benefits as civil service employees employed at the DOE, and I understand the reason for that. But I believe these rights and benefits should not be limited to just employees of conversion Charter Schools and should therefore be extended to include employees of startup Charter Schools. Thank you."

Representative Takumi rose to speak in support of the measure, stating:

"Thank you very much, Mr. Speaker. In support. For the edification of the previous speaker, there's another bill upcoming that takes care of that. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3098, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHARTER SCHOOLS,"

passed Third Reading by a vote of 49 ayes, with Representatives Arakaki and Schatz being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 869-06) recommending that H.B. No. 1886, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1886, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Thielen rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I'm rising to speak against this bill. Mr. Speaker, the purpose of the bill is to preserve the inventory of low-income rental housing and unfortunately it does it by a way that actually may prevent or discourage the production of lower income rental housing units.

"This bill would prohibit this sale of those units in fee simple to private persons at any time no matter how far in the future. The Housing and Community Development Corporation of Hawaii opposed the bill. The Committee Report states that the Committee notes that HCDCH expressed concern that this measure could potentially adversely affect HCDCH's housing development programs and may impact affordable for sale housing projects under HCDCH.

"I think we all know, and we've said it time and time again in this Chamber, Mr. Speaker, Hawaii is in desperate need for affordable housing. The sub part (f) of part 2 of HRS Chapter 201G includes many housing development programs. This is the area that this bill addresses. Some of the programs can be used for low income rental housing projects built on privately owned fee simple lands.

"These State-owned housing development programs would not encourage private owners to use their fee simple land for low-income rental projects if the owners are prohibited later from selling the projects.

"So what we may be doing by this well-intended bill is actually stopping the progress that we were trying to make in delivering low-income housing projects to the people that so desperately need them.

"I really ask Members to take a look at this again. HCDCH says don't do it. It's going to backfire. It won't accomplish what you want to accomplish so I think we should table this bill. I know it will go over to this Senate, but we don't have to encourage them to hear it or to come to Conference Committee or to proceed with it. Thank you."

Representative Marumoto rose in support of the measure with reservations, and asked that the remarks of Representative Thielen be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Kahikina rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In strong support. Mr. Speaker, as the Chair of Housing, we are tasked to address the housing and homeless crisis. And this is another measure addressing the issue that a lot of our housing projects are reaching its maturity and it's going up for sale which may convert into condominiums which would put out the affordability stock. And so I know that a lot of people want fast results, and I hear the rhetoric on the floor. I really would like to see some deeds and would ask that my colleagues would help in addressing the critical issue and the crisis, and come up with solutions. And we're open and I'm hoping that this measure will go forward so we can continue the discussion on this very viable solution to a crisis."

Representative Stevens rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Finnegan rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. In opposition with the words from the Representative from Kailua as my own. And just short additional comments. I think this would also prevent, should a developer want to do a 'rent to own' after the lease period, to the people who are currently renting as a low-income rental. And as they say home ownership is really a big part in self-sufficiency and wanting to see people in low income just basically have something of their own. I think this also prevents that so I just wanted to add those as my comments as well."

Representative Pine rose to speak in support of the measure with reservations, stating:

"I just wanted to note my reservations based on the previous speaker's comments. Thank you."

Representative Halford rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I'd like to briefly explain my no vote on this bill. I'm voting no on this version of the bill. This bill is in progress. The Chairman of the Committee is sincere in looking for some solutions and asking for suggestions, and I'm hopeful for a good outcome for this bill. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1886, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Third Reading by a vote of 43 ayes to 6 noes, with Representatives Finnegan, Halford, Meyer, Moses, Stonebraker and Thielen voting no, and Representatives Arakaki and Schatz being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 870-06) recommending that H.B. No. 1948, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1948, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Thielen rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I support the bill overall with one exception and that's why I'm voting with reservations. Thank you. I don't want to add the 68 ounce bottles to the bottle bill program until we can get that program operating in a way that is going to be more helpful to consumers. I don't think we should expand the types of bottles that are under that purview because right now it becomes very difficult for consumers to get their 5 cents back. Thank you."

Representative Pine rose to speak in opposition to the measure, stating:

"Yes, Mr. Speaker. I'll be voting no based on the same reasons as the previous speaker. The people in my district are really hurting. While I do support recycling, a lot of people in my district used to use that money when they recycled to buy food on the weekends for their families. So I think it's just too early with the economy in terms of the rental market the way it is, and people with low incomes suffering as it is, to add this extra expense on them at this time. Thank you."

Representative Ching rose in support of the measure with reservations, and asked that the remarks of Representative Pine be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1948, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SOLID WASTE MANAGEMENT," passed Third Reading by a vote of 43 ayes to 6 noes, with Representatives Finnegan, Marumoto, Meyer, Moses, Pine and Stonebraker voting no, and Representatives Arakaki and Schatz being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 871-06) recommending that H.B. No. 1917, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1917, HD 2, entitled: "A BILL FOR AN ACT PROPOSING AMENDMENTS TO THE HAWAII CONSTITUTION RELATING TO THE ESTABLISHMENT OF A SALARY COMMISSION," passed Third Reading by a vote of 49 ayes, with Representatives Arakaki and Schatz being excused.

H.B. No. 1917, HD 2 passed Third Reading in the following form:

H.B. No. 1917, HD 2

A BILL FOR AN ACT PROPOSING AMENDMENTS TO THE HAWAII CONSTITUTION RELATING TO THE ESTABLISHMENT OF A SALARY COMMISSION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. The purpose of this Act is to propose an amendment to the Constitution of the State of Hawaii to establish a salary commission responsible for reviewing and recommending changes to salaries for justices and judges, members of the state legislature, the governor and lieutenant governor, the administrative director of the State, and department heads or executive officers and the deputies or assistants to department heads of the executive departments, excluding the University of Hawaii and the department of education.

SECTION 2. Article XVI of the Constitution of the State of Hawaii is amended by adding a new section to be appropriately designated and to read as follows:

"SALARY COMMISSION

Section . There shall be a commission on salaries as provided by law, which shall review and recommend salaries for the justices and judges of all state courts, members of the legislature, and department heads or executive officers and the deputies or assistants to department heads of the executive departments provided by law, excluding the University of Hawaii and the department of education. The commission shall also review and make recommendations for the salary of the administrative director of the State or equivalent position and the compensation of the governor and the lieutenant governor.

Any compensation established pursuant to this section shall not be decreased during a term of office, unless by general law applying to all salaried officers of the State.

Not later than the fortieth legislative day of the 2007 regular legislative session and every eight years thereafter, the commission shall submit to the legislature its recommendations and then dissolve.

The recommended salaries submitted shall become effective as provided in the recommendation, unless the legislature disapproves the entire recommendation as a whole by adoption of a concurrent resolution prior to adjournment sine die of the legislative session in which the recommendation is submitted."

SECTION 3. Article III, section 9, of the Constitution of the State of Hawaii is amended to read as follows:

"[SALARY:] LEGISLATIVE ALLOWANCES[; COMMISSION ON LEGISLATIVE SALARY]

Section 9. The members of the legislature shall receive allowances reasonably related to expenses as provided by law[; and a salary prescribed by the commission on legislative salaries pursuant to this section which shall be payable in installments and at such times as provided by law.

~~There shall be a commission on legislative salary, which shall be appointed by the governor on or before November 30, 1978, and every eight years thereafter. Not later than the fortieth legislative day of the 1979 regular legislative session and every eight years thereafter, the commission shall submit to the legislature and the governor recommendations for a salary for members of the legislature, and then dissolve. The recommended salary submitted shall become effective as provided in the recommendation unless the legislature disapproves the recommendation by adoption of a concurrent resolution prior to adjournment sine die of the legislative session in which the recommendation is submitted or the governor disapproves the recommendation by a message of disapproval transmitted to the legislature prior to such adjournment. Any change in salary which becomes effective shall not apply to the legislature to which the recommendation for the change in salary was submitted]."~~

SECTION 4. Article VI, section 3, of the Constitution of the State of Hawaii is amended to read as follows:

"APPOINTMENT OF JUSTICES AND JUDGES

Section 3. The governor, with the consent of the senate, shall fill a vacancy in the office of the chief justice, supreme court, intermediate appellate court and circuit courts, by appointing a person from a list of not less than four, and not more than six, nominees for the vacancy, presented to the governor by the judicial selection commission.

If the governor fails to make any appointment within thirty days of presentation, or within ten days of the senate's rejection of any previous appointment, the appointment shall be made by the judicial selection commission from the list with the consent of the senate. If the senate fails to reject any appointment within thirty days thereof, it shall be deemed to have given its consent to such appointment. If the senate shall reject any appointment, the governor shall make another appointment from the list within ten days thereof. The same appointment and consent procedure shall be followed until a valid appointment has been made, or failing this, the commission shall make the appointment from the list, without senate consent.

The chief justice, with the consent of the senate, shall fill a vacancy in the district courts by appointing a person from a list of not less than six nominees for the vacancy presented by the judicial selection commission. If the chief justice fails to make the appointment within thirty days of presentation, or within ten days of the senate's rejection of any previous appointment, the appointment shall be made by the judicial selection commission from the list with the consent of the senate. The senate shall hold a public hearing and vote on each appointment within thirty days of any appointment. If the senate fails to do so, the nomination shall be returned to the commission and the commission shall make the appointment from the list without senate consent. The chief justice shall appoint per diem district court judges as provided by law.

QUALIFICATIONS FOR APPOINTMENT

Justices and judges shall be residents and citizens of the State and of the United States, and licensed to practice law by the supreme court. A justice of the supreme court, a judge of the intermediate appellate court and a judge of the circuit court shall have been so licensed for a period of not less than ten years preceding nomination. A judge of the district court shall have been so licensed for a period of not less than five years preceding nomination.

No justice or judge shall, during the term of office, engage in the practice of law, or run for or hold any other office or position of profit under the United States, the State or its political subdivisions.

TENURE; [COMPENSATION;] RETIREMENT

The term of office of justices and judges of the supreme court, intermediate appellate court and circuit courts shall be ten years. Judges of district courts shall hold office for the periods as provided by law. At least six months prior to the expiration of a justice's or judge's term of office, every justice and judge shall petition the judicial selection commission to be retained in office or shall inform the commission of an intention to retire. If the judicial selection commission determines that the justice or judge should be retained in office, the commission shall renew the term of office of the justice or judge for the period provided by this section or by law.

~~[There shall be a salary commission to review and recommend salaries for justices and judges of all state courts. Justices and judges shall have salaries as provided by law. Their compensation shall not be decreased during their respective terms of office, unless by general law applying to all salaried officers of the State. They] Justices and judges shall be retired upon attaining the age of seventy years. They shall be included in any retirement law of the State."~~

SECTION 5. Article V, section 3, of the Constitution of the State of Hawaii is repealed.

"[COMPENSATION: GOVERNOR, LIEUTENANT GOVERNOR

~~**Section 3.** The compensation of the governor and of the lieutenant governor shall be as provided by law, but shall not be less than thirty-three thousand five hundred dollars, and twenty-seven thousand five hundred dollars, respectively, a year. Such compensation shall not be increased or decreased for their respective terms, unless by general law applying to all salaried officers of the State. When the lieutenant governor succeeds to the office of the governor, the lieutenant governor shall receive the compensation for that office."~~

SECTION 6. Article XVIII, section 3, of the Constitution of the State of Hawaii is repealed.

"[SALARIES OF LEGISLATORS

~~**Section 3.** Until otherwise provided by law in accordance with Section 9 of Article III, the salary of each member of the legislature shall be twelve thousand dollars a year."~~

SECTION 7. The question to be printed on the ballot shall be as follows:

"Shall the Constitution be amended to provide for a salary commission to review and recommend salaries for justices, judges, state legislators, the governor, the lieutenant governor, the administrative director of the State, and state department heads or executive officers and the deputies or assistants to department heads of the executive departments, excluding the superintendent of education and the president of the University of Hawaii?"

SECTION 8. Constitutional material to be repealed is bracketed and stricken. New constitutional material is underscored.

SECTION 9. This amendment shall take effect on July 1, 2020.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 872-06) recommending that H.B. No. 2211, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2211, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DEFINITIONS FOR WORKERS' COMPENSATION," passed Third Reading by a vote of 49 ayes, with Representatives Arakaki and Schatz being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 873-06) recommending that H.B. No. 2371, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2371, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE HAWAII YOUTH CORRECTIONAL FACILITY," passed Third Reading by a vote of 49 ayes, with Representatives Arakaki and Schatz being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 874-06) recommending that H.B. No. 2558, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2558, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I would like to enter my no for Standing Committee Report 874. This deals with vocational rehab for non-permanently injured declared employees. Right now, vocational rehab is one of the fastest benefits, cost centers in work comp. I believe the number that I got after researching is something about \$6 million a year. This could very easily add another million or two on, per year.

"An example of what could happen is let's say, a carpenter who hurts an arm, breaks an arm, is unable to return back to his permanent job because he's undergoing rehabilitation. Or a truck driver who hurt his back is undergoing rehabilitation. What this bill would allow them to do is to refer themselves to the vocational rehab program before he becomes permanently disabled. I think it's going very much in the wrong direction. We need to assist injured employees to get them back to work not divert them to other programs. So with that I have a very strong no. Thank you."

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, support with reservations. I'm just wondering why this is necessary at this time. Current law, Section 386-25 and existing practice, already allows the Director to refer workers who are unable to return to their usual and customary job to go to vocational rehab. So it seems like we're just duplicating something that's already there. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2558, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VOCATIONAL REHABILITATION," passed Third Reading by a vote of 47 ayes to 2 noes, with Representatives Harbin and Meyer voting no, and Representatives Arakaki and Schatz being excused.

At 2:31 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 3098, HD 2	H.B. No. 2211, HD 1
H.B. No. 1886, HD 1	H.B. No. 2371, HD 1
H.B. No. 1948, HD 2	H.B. No. 2558, HD 1
H.B. No. 1917, HD 2	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 875-06) recommending that H.B. No. 2566, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2566, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 876-06) recommending that H.B. No. 2598, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2598, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 877-06) recommending that H.B. No. 2678, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2678, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 878-06) recommending that H.B. No. 2994, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2994, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Ito rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ito's written remarks are as follows:

"Mr. Speaker, I rise in support of Standing Committee Report 878-06, HB2994 HD2.

"Mr. Speaker, in mid-January of this year Ms. Dorothea Pale, President of the Kulana Nani Residents Association, called me complaining that the Kulana Nani Apartment complex is being sold. Investigation of the issue revealed that Kamehameha Schools is the owner of the property on which the Kulana Nani Apartments sits on and was selling the land only at an asking price of \$6,800,000. The City & County of Honolulu is the owner of the apartment complex, which was built with a loan from HUD. Kamehameha Schools leases the property to the City & County of Honolulu and the lease terminates in 2048.

"Mr. Speaker, the City & County of Honolulu has stated publicly that their consultants have advised the City to sell off their assets, such as the City's low-income housings. This statement has raised fears in the residents at Kulana Nani. Their fears are justified. When the City & County of Honolulu pays off the HUD loan, the City is free to sell the Kulana Nani Apartment complex on the open real

estate market. This scenario can happen well before the lease terminates in 2048. If the Kulana Nani Apartment complex is sold, what will happen to the residents if the new owners decide to raise the rent above the affordability level, convert the apartment complex to a condominium complex, or raze the complex completely and rebuild? It is a foregone conclusion that the residents will have to search for new low-income residences and many may become homeless.

"Mr. Speaker, HB 2994, HD2, directs the Hawaii Housing Finance And Development Administration to immediately initiate negotiations with Kamehameha School to ensure the State's acquisition of the Kulana Nani property. HB 2994, HD2, further provides that one hundred per cent of the housing units on the property shall be retained in perpetuity as affordable housing for households at or below the current income restrictions for rental housing units on the property.

"I want to commend Ms. Dorothea Pale and Ms. Ivey Matavale and Ms. Lorraine Soriano, Kulana Nani residents, for taking the time and effort to testify at the hearing of the Committee on Housing. These three women conveyed to the Committee the fears and concerns of the residents of Kulana Nani Apartments, as well as the residents of other low income housing projects, privately and publicly owned, that are being sold.

"Mr. Speaker, in its final report dated January 2006, the Joint Legislative Housing And Homeless Task Force expressed concern that the inventory of affordable housing rental units is at risk of being reduced. Affordable rental housing projects built in part with government subsidies have been offered for sale at market prices in anticipation of the expiration of income and regulatory restrictions encumbering the property. The taskforce is committed to ensuring that these units remain affordable to persons at lower income levels.

"Mr. Speaker, for this purpose I urge my colleagues to support Standing Committee Report 878-06, HB2994, HD2. Thank you."

Representative Pine rose to speak in opposition to the measure, stating:

"Mr. Speaker, on 878. As with all the language in certain bills that includes eminent domain, I'll be voting in opposition. I do care for what's going on with the people in this area, but just as I've been *hanai* into a Hawaiian family many years ago, and since half my family is from the Philippines, we have a lot of experience with eminent domain. I just really believe that this is an area that we should not go into. It harbors too many hard feelings and could one day be misused as it has been on the mainland, as many of us know.

"Some people's homes were taken over by the government so that they could put a shopping mall there, and they used eminent domain. So I know there is some language in other bills that is specifying it for better uses. However, I just think it's a wording that I wish was not in this bill because I would definitely support this bill and many measures just like it. Thank you."

Representative Kahikina rose to speak in support of the measure, stating:

"I stand in support of the measure. Mr. Speaker, nobody likes to talk about eminent domain, but the government has the power to seize property for public purposes. And I appreciate the previous speaker speaking on eminent domain and how she respects the Native Hawaiian family that *hanai* her.

"If anybody experienced eminent domain, it was Native Hawaiians. In fact I think they called it 'manifest destiny' and so in that respect, because of the housing crisis, I ask our Members to support this measure."

Representative Chong rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in strong support. And I would just like to comment that presently that the land that the bill talks about purchasing is presently on the market already, and this looks to appropriate money at the market rate. I don't foresee eminent domain as being an issue. I know it is in the bill, but that's if a settlement can't necessarily be reached. Thank you."

Representative Finnegan rose to speak in opposition to the measure, stating:

"Mr. Speaker, I will be voting no. I'm okay with eminent domain for different purposes, and I expect the government to use its discretion in a good way. It's just that when you put eminent domain in this, it's almost like a threat. A threat to Kamehameha Schools that if you don't sell, then we're going to utilize this eminent domain on you, and I don't like that. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2994, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LAND ACQUISITION," passed Third Reading by a vote of 48 ayes to 3 noes, with Representatives Finnegan, Pine and Stonebraker voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 879-06) recommending that H.B. No. 3121, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3121, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Yamane rose to speak in support of the measure, stating:

"I'm standing up in strong support for Stand Com. Report 879. I would like to submit written comments, but also to express really quickly that after Katrina it took three shifts of 45 volunteers to deal with the pets that were loose after the hurricane. Thank you," and the Chair "so ordered."

Representative Yamane's written remarks are as follows:

"It is estimated that 56% of Oahu household have pets according to a Ward research study. It is predicted that we have almost 1.5 million pets on Oahu, with over 330,000 dogs and cats.

"After Hurricane Katrina, animal volunteers in Louisiana took in 300 to 500 animals daily, who needed to get cleaned up, fed and cared for. In three shifts, at least 45 volunteers from humane societies, including from Hawaii, Colorado, Minnesota, Ohio and California, they worked round-the-clock helping to care for these victims who were lost from their family.

"But more importantly, our pets are part of our family. For many, they are like their own children. During these times of crisis, do not force people to make a choice between their safety and the safety of their family members.

"Animals left behind can be injured, lost or killed. Animals left inside a house can escape through storm-damaged areas such as a broken window. Leaving dogs tied or chained outside could endanger their lives. Animals turned loose to fend for themselves can become victims of exposure, starvation or accidents.

"This measure will result in more people seeking the safety of a shelter reducing the risk of emergency responders and the loss of life. Let's not be dogged by the issues."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3121, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CIVIL DEFENSE," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 880-06) recommending that H.B. No. 1928, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1928, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Thielen rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. Mr. Speaker, I'm going to be voting no on this bill and I'd like to explain why. Thank you. Mr. Speaker, the provision I don't support is allowing agricultural leases to be renewed by direct negotiations instead of going out for competitive bid.

"I think that could really be a mistake if we go down that road. This would mean that an agricultural lessee who had either a 35-year lease or a 55-year lease could go in to the Board of Land and Natural Resources and say, 'We want to directly negotiate with you. Don't put it out for competitive bid. We want to extend our lease.' This would mean that they would have a term that was really a hundred years of having that State land, having the lease on that State land.

"I don't really think this is fair to the other farmers who are out there that would like very much to be able to have a operation, a farming operation on State land. And I realize that it would be difficult for existing lessees to come in and go through a competitive process, but that competitive process brings in a fair return to the State, and I think it's a much better way because it also brings a fair opportunity for the new farming community to come in and be able to apply for that land. Otherwise they're just shut out. Thank you."

Representative Kanoho rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In support. This bill contains several segments one of which the previous speaker alluded to. Actually, it becomes a moot point because we talked about House Bill 2271 on page 18, which transfers responsibility of the management of agricultural leases from the Department of Land and Natural Resources to the Department of Agriculture just for that reason. So that would-be farmers can be assured that they would continue with their leases because otherwise you take a farmer who has labored on a property for 10 or 20 or more years, only to lose it to someone with bigger dollars. The deserving farmer should be given the opportunity to renegotiate that lease. But in this bill it can be a moot point because of the transfer.

"I'm speaking in support of this bill because it allows hotels, resorts, to renegotiate leases with the Department of Land and Natural Resources primarily in the event that financing becomes necessary for improvements. Otherwise what might happen, say that a lessee has 10 more years on his lease. The Lessee's not going to spend money to improve that property. This is on State lands. It is to the State's benefit that the improvements on that land would be in as good shape as possible through improvements. This would enable that lessee to go ahead and recapture financing costs because the lease term has been extended. So it's really a good measure. There are two sections that provides not only for recapturing of financing, but it enables the Department when necessary, to extend the uses or the heights, or the limitations on the use of their property. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1928, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Marumoto and Thielen voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 881-06) recommending that H.B. No. 1938, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1938, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Kanoho rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. This is a really very important bill. For years we've been trying to address the issue. I'm in very strong support. Thank you. For years we've been trying to address the issue of luxury estates on agriculturally zoned lands.

"In essence, this bill would prevent Hokulias in the future. Some have called this bill to be overly restrictive, but at the time we encountered the bill it was just the intent to say that there would be no non-agricultural uses on agriculturally classified lands. And it doesn't mean that there could never be such development on agriculturally zoned lands. If it was the desirable and needed thing to do, then it should be reclassified to whatever the use may be, either rural or urban. And that's what this bill is all about.

"As we proceed however, because this is such a far-reaching step in how we use our lands, one of the biggest problems is that in 1976, we allowed permissible dwellings on A&B lands and that opened the door to all kinds of dwellings, including luxury estates. So we have to figure that out. We're thinking possibly that we need to have a land use working group in the interim to make that determination to get all the stakeholders to the table to make this determination. Because an important decision such as this would come under this bill, the process of arriving at that decision is probably more important than the decision itself, by having everybody participate in arriving at a solution.

"So this is something that we need to continually look at and work on because it's so far reaching and we should pass it. Thank you."

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I'm rising in support, but with some strong reservations. I feel like this bill is kind of going backwards from what we did last year on the important ag land bill, where we would give the counties more say in what they would want to do with the ag land. And now in this bill we are specifically prohibiting golf related facilities, private membership facilities including hotels, resort and maybe commercial uses, time share facilities. We get very specific about what we won't allow on ag lands.

"And then another section. I mean, it's regardless of soil classification. I think for any of us who have sat in any of the hearings on important ag lands, it's clear that there are ag lands and there are ag lands. And when you take the Big Island into account, it is the biggest island with the most acreage, and probably 94% of it all zoned ag and it's not appropriate soil. It's just plain lava and rocky soil and not good ag land, and never been used as ag land. Yet because it was sort of a default, it was zoned ag. I think there are lots of people that envision this great, rich soil and think it's wonderful. And there's the argument about how coffee can grow on old lava flows and that's true, but there's so many hundreds and hundreds of acres that are zoned ag without any thought as to whether they are really viable for agricultural. And now we are passing this bill that's saying that the counties can't tend to ... What's the wording here. It repeals the county's authorization to further define accessory agricultural uses.

"I just feel like we're going backwards. I feel like we just keep chasing like a dog chasing its tail. We talk about it. We talk about it. We never get any closer to resolving the problem, and this is like taking a step back. And I respect the Chairman of Water, Land and

he's been here a lot longer than I have, but I certainly see this bill differently than he does. Thank you, Mr. Speaker."

Representative Hale rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. It really bothers me when we talk about important ... I'm for this because of some of the prohibitions here in this bill, but I have some reservations. I represent the district in east southeast of the Island of Hawaii. It's called Puna. About 95% of it is lava flow and yet we are a very thriving agricultural area. We raise papayas. We send them all over the world. Their best papayas are on so-called, no-good land. Lava land, that's where papaya have been thriving and have been a very successful product.

"Another big area in my area is floriculture and it's on lava land that has been smoothed out and put on racks. If you have a certified nursery you put it on a rack and it doesn't take deep soil. We're thinking in terms of only using the kind of land that they have from the area that I come from in Minnesota which is long, deep, and we used a tractor and you till it. But very profitable agriculture can be put on lava land. Macadamia nuts, papayas, bananas, floriculture and to say that that is not useful, it irritates me. I'm sorry and that gives me some concern about the definition. Thank you."

Representative Evans rose to speak in support of the measure, stating:

"I rise in support. I just wanted to make a brief comment that the reason I was an original writer of the bill, an introducer, and it is changing as it goes along because I see this as a really good discussion about really what's happening at the local level and about home rule.

"The original intent of the bill was to really bring to people's attention that the counties have done what I call spot zoning, and they do variances. I was looking at a law to really stop that so that local politics can't stretch the meaning of what really should go on agriculture land. So it was just a really short bill, one paragraph, that said that only permitted uses that are in statutory law could actually be allowed on agricultural lands and that was it. Now as it goes forward obviously there's a lot of people that are kind of redefining it and changing it. So as it goes forward I hope it does stay with the original intent, which was to stop local politics, and stop this finding a way to spot zone. Thank you."

Representative Meyer rose to respond, stating:

"Thank you, Mr. Speaker. Just to reply to some of the things the introducer of the bill said, that this is about home rule. Well this is not the sort of home rule. This is a bill that says the counties will have no say. You will just do what the statutes of the State of Hawaii says, and I think that's the dog chasing the tail. Here at the State level we're dictating and giving. We have given the counties some room and now we want to take it away. I don't think that's the answer to the problem. We're an island State. Every island is different. The Island of Hawaii has more land than any other island. Maui has all kinds of beaches. Every island is different and I think that the counties should have a lot more say. Thank you, Mr. Speaker."

Representative Kanoho rose to respond, stating:

"A quick rebuttal, Mr. Speaker. This bill is because of the counties. It is because the counties have overstepped their boundaries and created development where it should not be. And development that should be other than agriculture, that this bill has become necessary. And so it's for all the reason that the Representative from the Windward coast, that this bill is necessary. It does not take away from what was done insofar as important agricultural lands. It would help preserve agricultural endeavors on all agricultural lands. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1938, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," passed Third Reading by a vote of 48 ayes to 3 noes, with Representatives Marumoto, Moses and Pine voting no.

At 2:52 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2566, HD 1	H.B. No. 3121, HD 2
H.B. No. 2598, HD 1	H.B. No. 1928, HD 2
H.B. No. 2678, HD 2	H.B. No. 1938, HD 2
H.B. No. 2994, HD 2	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 882-06) recommending that H.B. No. 2399, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2399, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Stevens rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In strong support. I just believe the inter-island ferry will provide competition for inter-island travel for our citizens and should lower the cost of that, and also lower the cost of bringing agricultural goods to market. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2399, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INTER-ISLAND FERRY SERVICE," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 883-06) recommending that H.B. No. 2669, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2669, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONVENTION CENTER ENTERPRISE SPECIAL FUND," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 884-06) recommending that H.B. No. 1862, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1862, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In strong support with written comments, please," and the Chair "so ordered."

Representative Finnegan's written remarks are as follows:

"The purpose of this bill is to allow the Department of Education to employ retired licensed teachers to teach in teacher shortage areas or serve as mentors, provided the teachers are retired for at least one calendar year prior to reemployment.

"As the teacher shortage continues, the rehiring of retired teachers will provide the "highly qualified" teacher that students need in the classroom. The continuing use of long-term substitute teachers is problematic as temporary teachers are not supposed to take over

classrooms for long periods of time. This will allow schools that have a need for teachers to have more flexibility in hiring "highly qualified" educators."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1862, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 885-06) recommending that H.B. No. 2178, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2178, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Thielen rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. Mr. Speaker, I'm rising to vote no on this bill. Thank you. It seems strange that I would oppose special purpose revenue bonds that will help Hawaii's agricultural industry by letting the industry make certain infrastructure improvements. But the problem is with this bill, it's premature. We need the instream flow standards first before we go ahead with the SPRBs.

"I would like to request, Mr. Speaker, that I am able to put the text of the Sierra Club's testimony into the Journal and it explains exactly why the bill is premature," and the Chair "so ordered."

Representative Thielen submitted the following testimony of the Sierra Club, Hawaii Chapter:

"The Sierra Club, Hawai'i Chapter, with over 5000 dues paying members statewide, opposes HB 2178. This measure proposes a funding mechanism for repairing and improving irrigation systems to facilitate the diversion of free-flowing streams. While we appreciate the desire to aid farmers access to water, we believe public funding for such purposes may be inappropriate and, at the very least, premature.

Given the lack of necessary – and mandated – studies and plans for Hawaii's water, these measures put the cart before the horse.

Despite prior legislation and court ruling, scientifically-based "instream flow standards" have yet to be established for nearly all of Hawaii's natural streams. Such standards would help planners determine how much – if any – water can be diverted from a stream without impacting native stream life, cultural uses, and ecosystem balance. This information is essential, and when faced with incomplete and inconsistent scientific evidence about the proper instream flow, "precautionary principles" should be adopted to protect stream resources, as the State Supreme Court affirmed in the Waiahole case. 94 Haw. At 154-155. The state cannot plan for agricultural uses without first planning for resource protection.

At the very least, we ask that this bill be amended to make clear that any funding of an irrigation project must be conditioned on the prior establishment of proper, scientifically based instream flow standards for all streams affected by the project."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Harbin rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I rise in support of this bill however I think it's time for me to make my little reminder that what the Legislature sometimes giveth, it taketh away. This is a special revenue bond therefore Chapter 104 plays into this, so perhaps we

might be pricing ourselves right out of the market of doing a very good thing for agriculture. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2178, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS," passed Third Reading by a vote of 49 ayes to 1 no, with Representative Thielen voting no, and Representative Cabanilla being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 886-06) recommending that H.B. No. 2609, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2609, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING FOR EMPLOYEES IN NEW CENTURY CHARTER SCHOOLS," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 887-06) recommending that H.B. No. 2610, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2610, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Kahikina rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Kahikina's written remarks are as follows:

"Mr. Speaker, I rise in strong support of this measure Relating To Charter Schools.

"The measure provides seed money to establish the Charter Schools Facilities Fund Partnership. It provides a tax credit to landlords who rent or lease to Charter Schools. It encourages the State to enter into leases with Charter Schools at rates comparable to other State agencies. And it reimburses New Century Charter Schools for rent, lease, or mortgage payments for Charter School facilities.

"Given the State's limited resources, the lack of facilities funding is one the biggest challenges facing Hawaii's Charter Schools. This measure would help minimize the financial burden on the State for underwriting facilities, it can help to leverage scarce public resources through a partnership similar to the Hawaii 3R's program. Similar to the 3R program, the partnership would be:

- A public-private partnership;
- Initially be incubated under the fiscal agency of an existing 501(c)(3) or similar nonprofit organization; and
- Attract private investment through the use of tax credits, including federal tax credits."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2610, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHARTER SCHOOLS," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 888-06) recommending that H.B. No. 2765, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2765, HD 2, entitled: "A BILL FOR AN

ACT RELATING TO INVASIVE SPECIES," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

At 2:56 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2399, HD 2	H.B. No. 2609, HD 1
H.B. No. 2669, HD 1	H.B. No. 2610, HD 2
H.B. No. 1862, HD 2	H.B. No. 2765, HD 2
H.B. No. 2178, HD 1	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 889-06) recommending that H.B. No. 2878, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2878, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in support of the measure with reservations, stating:

"Thank you. I'm voting with reservations. First of all, I'd like to congratulate Tradewinds Forest Products for becoming a Hawaii corporation and thereby perhaps maybe able to get a SPRB for their Big Island Construction.

"However, I have some real concerns and I've had many calls from some of the people on the Big Island regarding the issue of whether or not this is a true diversification of Hawaii's economy, or some type of a temporary measure. So I just wanted to express my concerns and also remind them that they will be impacted by Chapter 104 requirements. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2878, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST TRADEWINDS FOREST PRODUCTS, LLC," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 890-06) recommending that H.B. No. 3067, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3067, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Karamatsu rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Karamatsu's written remarks are as follows:

"I rise in support. Farming in Hawaii is very competitive with tight margins. This bill will provide eligible farmers an opportunity to obtain funds at favorable rates, which in turn encourages expansion, improvements, and diversification of their operations."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3067, HD 2, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 891-06) recommending that H.B. No. 3077, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3077, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Karamatsu rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Karamatsu's written remarks are as follows:

"I rise in support. This bill authorizes up to \$15,000,000 in Special Purpose Revenue Bonds to assist Rosette Steel Hawaii LLC in a manufacturing enterprise. The company will build a new facility to manufacture affordable home trusses and panels. Rosette Steel Hawaii LLC's affordable housing technology produces a superior grade steel product, which enables homes to be erected quickly and affordably. When completed, the facility will be able to produce six affordable homes per day. Finally, Rosette Steel Hawaii LLC's products and technologies can also be exported to other countries."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3077, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST ROSETTE STEEL HAWAII," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 892-06) recommending that H.B. No. 2962, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2962, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I'm rising in support with brief comments. For SCR 892, H.B. 2962, HD 2. Yes, thank you, Mr. Speaker. In support of this omnibus Charter School bill, which has undergone significant work in the Education Committee, but is still a work in progress and I did want to thank the Chair of the Committee for taking on this issue.

"This bill will provide Charter Schools with a more organized and thorough set of laws and a solid base to complete their innovative educational missions. One of the parts that I think still needs further review is just the part where it takes away the cap, but it replaces it with an accreditation section that is too restrictive in my opinion. And so as we move forward in this major step, I'd just like to say that there are some things that I have concerns about."

Representative Meyer rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I just have strong support and I would like to have permission to insert remarks in the Journal," and the Chair "so ordered."

Representative Meyer's written remarks are as follows:

"Mr. Speaker, I'm rising in support of HB 2962. I have been an enthusiastic advocate for Charter Schools for many years. They provide choices for parents and students, and ultimately introduce competition in the educational arena, which I believe is very healthy.

"This bill renames the Charter School Review Panel to the Charter School Authorization Panel. No other state has a central Department of Education that serves as the ultimate authority on all public schools like Hawaii does. Most mainland states have multiple chartering authorities that are separate from their local school boards. The Charter School Authorization Panel established in this bill would be a first step in establishing an independent chartering authority in Hawaii, a positive step. This bill is very comprehensive and sure to be amended along the way. I do hope that the separate chartering authority will survive. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2962, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 893-06) recommending that H.B. No. 1836, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1836, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Evans rose to speak in support of the measure with reservations, stating:

"Thank you. I have some reservations on this. My comment is that when I read the bill, I saw that they were asking veterinarians to go just beyond spay and neutering. I think there is really good intentions behind this bill, asking people maybe that were here on vacation three months out of the year to help the Humane Society and actually do spay and neutering. But if you look at the bill it'll actually allow veterinarians to go beyond that.

"So what I'm hoping is that that we address in the next Committee the fact if they are going to be coming here to help us, that it's voluntary, that they don't charge fees, that it's only for spay and neutering and not for other services. Thank you."

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. With reservations. There's some testimony that there are many veterinarians ready, willing and able to do this, but they're not hired. I think it's like \$35 an hour. And they had concerns that if veterinarians just come here and they do it while they're on vacation, there's no follow up for the pet. So I just want to point those things. Thank you."

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Mr. Speaker. On 893, the veterinarians, I don't know how many veterinarians vacation here. I'm in support of this measure. I did get a letter from one of our colleagues who was here not that long ago, Virginia Isabell, and she was very anxious for us to hear the bill. At least move it along.

"I think that the Humane Society there on the Big Island may not have the funds or an unlimited budget to hire veterinarian services on a regular, ongoing basis. And there are also fewer veterinarians on the Big Island than we have here on Oahu. And if there are, a great number of veterinarians who maybe are 'snowbirds' and go to Kona and wouldn't mind practicing what they know well, and do it for nothing, I think that will be a real 'win-win' for everybody.

"There is a real problem in this State with the proliferation of too many dogs, cats, and the strays. I know there were veterinarians that came to testify in Finance concerned that these animals wouldn't get the best care because these veterinarians are old and rusty, and kind of forgotten what they were doing, and they're not doing it on a regular basis every day.

"But on the other hand, these animals in the animal shelter there are going to be euthanized if nobody takes them, and so I think we got to weigh everything. I see this as a very possible win-win-win. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1836, HD 2, entitled: "A BILL FOR AN ACT RELATING TO VETERINARIANS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 894-06) recommending that H.B. No. 2039, HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2039, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Lee rose to speak in support of the measure, stating:

"In support and permission to insert comments in the Journal. This is another part of the ice puzzle," and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support.

"With the popularity of synthetic drugs like crystal methamphetamine, clean up of illegal drug production facilities has become a major problem.

"Many of the chemicals used in the production of crystal meth are toxic, especially to children. These chemicals include: volatile organic chemicals like toluene, acetone, methanol, petroleum distillates and ethers, lead (depending on the manufacturing method) and mercury (also depending on the manufacturing method).

"When illegal labs are discovered, human habitation of the premises is often unsafe. To determine whether living in the building is safe and to conduct necessary clean up, it is important to adopt regulations for the testing and decontamination of property used for the production of illegal drugs.

"Hawaii is currently experiencing a severe housing shortage. We need to ensure that every available property is habitable especially for our *keiki*. We also need to give landlords and law enforcement officials guidance on what constitutes a thorough decontamination.

"HB 2039, HD2, would require the Department of Health to adopt interim rules establishing standards for the decontamination of property used for manufacturing of illegal drugs. This will help ensure that subsequent residents of a property are not harmed and will give landowners guidance on the goals and methods of a decontamination effort.

"The HD2 also requires the Department of Health to report back to the Legislature before the 2007 Session. The required report will give the Legislature and the residents of Hawaii a comprehensive look at the problems associated with illegal drug labs and the measures that should be taken to ameliorate the damage they do.

"I ask that my colleagues support this measure. Mahalo."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2039, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DECONTAMINATION OF ILLEGAL DRUG MANUFACTURING SITES," passed Third Reading by a vote of 51 ayes.

At 3:03 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2878, HD 1	H.B. No. 2962, HD 2
H.B. No. 3067, HD 2	H.B. No. 1836, HD 2
H.B. No. 3077, HD 1	H.B. No. 2039, HD 2

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 895-06) recommending that H.B. No. 2278, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2278, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Marumoto rose to speak in support of the measure, stating:

"Mr. Speaker, in strong support. I'd like to have my comments in the Journal, please," and the Chair "so ordered."

Representative Marumoto's written remarks are as follows:

"Thank you to the Judiciary and Finance Committees and the entire House for advancing this emergency appropriation for:

1. The collection of DNA samples from convicted felons, and
2. Programs to prevent and treat victims of sexual violence.

"The word 'emergency' in this instance refers to the fact that this measure can be passed before the '07 supplemental budget bill and will utilize this year, '06, money.

"The victims of rape and other sexual offenses – mostly women and very often, children – thank you. Future victims should thank you too, when their perpetrators are caught. But, for sure, there will be fewer victims with an expanded DNA database that will apprehend 'bad eggs' sooner.

"Thank you, colleagues, from suspects who are exonerated if their DNA demonstrates that they are innocent.

"It is my hope that we will also have the occasion to thank Senators by the end of Session and that this money will find its way to the DNA registry special fund and to sexual assault services."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2278, HD 1, entitled: "A BILL FOR AN ACT MAKING EMERGENCY APPROPRIATIONS FOR THE DEPARTMENT OF THE ATTORNEY GENERAL," passed Third Reading by a vote of 50 ayes, with Representative Lee being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 896-06) recommending that H.B. No. 2442, HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2442, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MILITARY INSTALLATIONS," passed Third Reading by a vote of 50 ayes, with Representative Lee being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 897-06) recommending that H.B. No. 1835, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1835, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. In support with reservations, or comments at least. This requires outdoor lightings for airports, highways, and harbors to comply with county lighting ordinances when it is not in conflict with any State regulation or federal law regulation or mandate. That's good.

"The reason is some astronomers on the Big Island say that there's too much light pollution. I guess some of the boaters might think so too, and so that's fine and I say reduce the lighting whenever you can.

"My comments are really directed toward the highways. There's three kinds of streetlights that are used. The one that is most common and the older one that was used were round light bulbs and they do spread light all around. The newer ones are flat and all the new highways, all the ones we've been talking about here out in the Ewa area, and anytime they fix them on the highways or the freeways, they're using the new flat light bulbs which do not spread light. And that's good.

"The problem is to go back and do it now, for instance on the freeway, you have to dig up all the existing lights and move the new lights closer together because it's required to be closer together. And that would do serious damage to all of our freeway systems.

"So in the interim, one of the things that is done is using shielded lights. Also they have to be closer together. The shielded lights are using old, round light bulbs. This measure calls for able to use shielded lights.

"My point is first of all you can't do it on existing roads without putting lights closer together. Secondly, the shielded lights are to fix the old round lights. It's better to go to the new flat lights. So when the measure calls for shielded lights I think that's not the term we want to use. Thank you."

Representative Stevens rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In support. I'd just like to say that I've heard from some ship captains that coming into the various harbors around the State, these brighter lights are interfering with their navigation and they would prefer lights directed down with the shields on them around the harbors. Thank you very much."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1835, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF TRANSPORTATION," passed Third Reading by a vote of 50 ayes, with Representative Lee being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 898-06) recommending that H.B. No. 2778, HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2778, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Abinsay rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I have written comments in strong support of this measure. I would just like to thank the Committees on Finance, Judiciary, and Labor for their hard work and support of these racial issues about language access. And if I may, Mr. Speaker, I would like to insert an editorial from a daily paper that was published on March 1st, 2006 and this is about, the title is: Work must begin on language access," and the Chair "so ordered."

Representative Abinsay's written remarks are as follows:

"Mr. Speaker, I rise in strong support of Standing Committee Report No. 898-06, House Bill No. 2778, HD 2, Relating to Language Access.

"The purpose of this bill is to provide for effective and timely communication between all levels of government and individuals who are precluded from using public services due to language barriers.

"Mr. Speaker and colleagues, Hawaii has the sixth largest immigrant population, per capita, in the nation. According to the 2000 Census, approximately 27% of Hawaii's residents speak a language other than English at home, while 5% does not speak English well or not at all.

"Title VI of the Civil Rights Act of 1964 states that all service agencies receiving federal funds are required to make their services accessible to limited English speaking persons. This requirement includes interpretation and translation.

"In 2000, President Clinton signed Executive Order No. 13166, which reaffirmed that language access discrimination is a violation of Title VI. The President then ordered all federal departments to publish language access guidelines for all agencies that received federal funding.

"The State of Hawaii has been on notice since 2000 of its obligation to provide language access services, but it is sad to note that little has been done to comply with this requirement.

"Immigrants come to Hawaii to seek a better life for our families and children. We come here and we work hard. We are eager to participate as productive members in Hawaii's society and we are committed to do what we can do to contribute to its economy as well. Immigrants provide necessary health care services. We fuel our tourist industry, we own and operate small businesses, and pay taxes. I say 'we,' Mr. Speaker, because I am an immigrant and I have worked with a lot of immigrants over the years. I know first hand what it's like to be hindered by not being able to speak English.

"Imagine, Mr. Speaker, the horror of parents who cannot communicate with doctors or nurses in an emergency, or their frustrations when they cannot communicate with a school to help their child achieve success.

"Imagine the terror of a woman, who had just been through a domestic assault, who cannot communicate with the police and other authorities, and she is sent to a psychiatric hospital instead. Days later when provided with an interpreter, they discover that she is not suicidal, but rather she is a victim of domestic violence.

"Imagine that you had just discovered your two daughters had been sexually abused by their stepfather and immediately you left your house and sought safety in a shelter. Now you are in need badly of immediate support, but you have to wait two months for the welfare office to provide you with an interpreter to help you complete the welfare application process.

"These are just a few examples of the situations that exist right here in Hawaii – situations that severely impact our immigrant population.

"House Bill No. 2778, HD 2, will fulfill the promise that all residents of the State of Hawaii will be treated on equal terms to public services regardless of their national origin.

"House Bill No. 2778, HD 2, is about ensuring equal rights between English and limited English speaking citizens of this country and State. Our State, this island paradise has long been recognized as a place where diversity and race are celebrated – a true melting pot. And I would like to echo the words of the Chair of Finance as he writes in the Committee Report, and I quote, "As a nation of immigrants and especially here in the state known as the "melting pot of the Pacific," it is especially important that our government remain cognizant of the need to provide opportunities for all who choose to come to Hawaii," end of quote.

"Mr. Speaker and colleagues, let us continue to honor that rich tradition not only to preserve our identity across the nation and around the world as a melting pot, but also because diversity and

tolerance will not flourish unless all can speak and at least be understood.

"H.B. No. 2778, HD 2, is a work in progress, but it is a very important vehicle that we can use to advance this issue. I would like to thank the Chairs of the Committee on Labor, the Committee on Judiciary, and the Finance Committee for their hard work and support of this measure. And I would like to ask of you, colleagues, to support its passage for Third Reading. Thank you, Mr. Speaker."

Representative Abinsay also submitted the following editorial from the *Honolulu Advertiser*:

"Work must begin on language access

In a state where one out of four residents speaks something other than English at home, the barrier presented by language is difficult to overlook.

Yet local government has all but ignored the issue for six years, leaving many whose English skills are poor with little help in securing the government services they deserve and, indeed, pay for.

By law, and in fairness, this is wrong.

In some painful cases, detailed by Advertiser writer Gordon Pang this week, the lack of simple translation services lets small problems deteriorate into tragedies. This adds up to a failure to cope with the reality of Hawaii's multicultural population.

In 2000, President Clinton issued an executive order requiring all agencies receiving federal funds to comply with the Civil Rights Act by providing language assistance to those who qualify for services but have limited English proficiency.

Since then, the federal government has issued guidelines on compliance, but there's very little evidence that Hawai'i has acted. Cost is a legitimate issue, but to use cost as an excuse to postpone all action is inexcusable.

One surviving measure, House Bill 2778, encompasses both the "carrot" and "stick" approach.

The "carrot" would be creation of a language access office that would help state and county agencies develop plans for compliance with federal civil rights law.

In some cases, the costs of dealing with the language hurdle can be sizable, so lawmakers deserve a clear picture of the impact of new language policies. But in other cases, the problem may be one largely of making sure people know that services exist. That could keep expenses to a minimum.

The "stick" is a provision that could leave government agencies open to lawsuits. This element probably should be split off into a separate bill. This way, lawmakers can proceed incrementally, laying the groundwork for compliance before the lawsuits start. Otherwise, the entire process again will be paralyzed.

Making government accessible to all is the wisest course in the long run for Hawai'i. Let the work begin.

The Honolulu Advertiser
March 1, 2006

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2778, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LANGUAGE ACCESS," passed Third Reading by a vote of 50 ayes, with Representative Lee being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 899-06) recommending that H.B. No. 3149, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3149, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND TRANSFER," passed Third Reading by a vote of 50 ayes, with Representative Lee being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 900-06) recommending that H.B. No. 2183, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2183, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY SHELTERS," passed Third Reading by a vote of 50 ayes, with Representative Lee being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 901-06) recommending that H.B. No. 2311, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2311, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Third Reading by a vote of 50 ayes, with Representative Lee being excused.

At 3:07 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2278, HD 1	H.B. No. 3149, HD 1
H.B. No. 2442, HD 2	H.B. No. 2183, HD 1
H.B. No. 1835, HD 1	H.B. No. 2311, HD 1
H.B. No. 2778, HD 2	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 902-06) recommending that H.B. No. 2803, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2803, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONVEYANCE TAX," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 903-06) recommending that H.B. No. 2508, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2508, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WAIVER OF ABANDONED VEHICLE PUBLIC AUCTION REQUIREMENTS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 904-06) recommending that H.B. No. 1843, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1843, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. In regards to this, I just want to remain consistent and vote no in regards to the Vocational Agricultural Education Program. Again this is, like I mentioned previously, going in the opposite direction of the Weighted Student Formula so I just want to be on the record that I'm trying to be as fair as possible by making sure that these other programs aren't started up.

"The way I envision something like this working is for the schools that are in areas where they would benefit from an agricultural program, that they would be able to be able to work a partnership maybe, with a local or a nearby agriculture company or whatever. These types of things should be left so that the schools can determine if it's important for their schools. A lot of the time when we legislate things from here, we put an undue pressure on these different schools to have programs like these. Thank you."

Representative Evans rose to speak in support of the measure, stating:

"I rise in strong support. I believe that it's the place of the Legislature to make policy statements about what we feel strongly about, the education for our children. And we are an agricultural economy in Hawaii and I think it's very appropriate for the Legislature to stand up and say we support vocational agricultural education.

"This bill came out of farmers telling me, they are very concerned that we do not have the next generation of farmers coming up. We are not culling our students, telling our children, that it is a very good job, it's a very good vocation, it's something that is very valued in Hawaii. So I strongly support it. Thank you."

Representative Moses rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. In opposition. And I'd like to say many of you or most of you know that I am the Representative from Kapolei. It's very urbanized if you will. But I'm also a Representative who has much, much great farmland in my district.

"We have Aloun Farms, Larry Jeffs, Del Monte, Dole, so I'm very concerned with agriculture also. But I have to also say that we cannot micromanage once we passed Act 51 and the Weighted Student Formula. If we want the schools to do this, we're just buying special programs if you will, and why are we doing Act 51 and saying the DOE is managing your assets. It's not true. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1843, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VOCATIONAL AGRICULTURE EDUCATION," passed Third Reading by a vote of 47 ayes to 4 noes, with Representatives Finnegan, Moses, Pine and Stonebraker voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 905-06) recommending that H.B. No. 2550, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2550, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 906-06) recommending that H.B. No. 3030, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3030, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Meyer rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. On 906, House Bill 3030, House Draft 1, Relating to the Bureau of Conveyances. This bill proposes to use the Bureau of Conveyances Special Fund to add ... I'm in opposition. The bill would fund nine new full-time staff positions at the Bureau of Conveyances.

"Despite enjoying record high real estate sales, we all know what goes up must come down. Adding positions at the peak of the real estate cycle is not responsible. When the market slows down the same jobs would be in jeopardy because there will be a lot fewer documents to record.

"DLNR testified with concerns about adding unnecessary positions. And the Hawaii Association of Realtors, the professionals who rely on the services the most oppose the measure. The Hawaii Association of Realtors testified that they are aware of the political problems that exist between the regular system employees and the Land Court. This bill will only add staff, which will not solve the employment problems at the Bureau.

"Mr. Speaker, if we truly want to make the Bureau of Conveyances more efficient and better serve our constituents, we need to implement the findings from the report conducted by Hoiwe consultants completed in June of 2005. By improving the work environment at the Bureau, we can ensure consumer benefits for our taxpayers. Adding staff is the quick fix that has the potential of exacerbating the situation at a high cost without looking for the real long-term solution. Thank you, Mr. Speaker."

Representative Schatz rose to speak in support of the measure, stating:

"Briefly in support. There are two problems at the Bureau of Conveyances we need to look at. One is something in our control and the other is not.

"The thing that is in our control is the amount of resources that the Bureau has and clearly they are underfunded. For those of you who are not aware, if you send in your title recordation, the Chair of Labor probably knows the proper terminology better than anybody. But if you send it in by mail, it may not get opened. The mail may not get opened for up to six months. That is something that the Bureau of Conveyances has actually told us. So if you're going to record a title, walk it in. That is totally unacceptable. It's a very small price to pay for these nine additional positions to alleviate that problem

"And the previous speaker is correct. There's another problem that has to do with the way the Bureau is managed. Unfortunately the Legislature does not manage individual divisions and departments. There's nothing we can really do about that except exercise our oversight responsibility, which is something that we're doing with audits, with hearings, with correspondence with the Deputy Director of the Department, the Director of the Department, the Division Chief. We are watching the management and the improvement of the management of the Bureau.

"But our responsibility is twofold. To oversee the improvement of management, and second of all to give them the resources and that's what this bill does."

Representative Moses rose in support of the measure with reservations, and asked that the remarks of Representative Meyer be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3030, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE BUREAU OF CONVEYANCES," passed Third Reading by a vote of 46 ayes to 5

noes, with Representatives Ching, Finnegan, Meyer, Pine and Stonebraker voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 907-06) recommending that H.B. No. 2265, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2265, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Stevens rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, could we go back to 907. Thank you, I rise with reservations. This bill eliminates the Parole Board's ability to render their decisions without outside influence and will clearly delay the timely rendering of parole revocation decisions, which directly, negatively affect the public safety. So I'd just like to register my reservations on this bill. Thank you."

Representative Chong rose to speak in support of the measure, stating:

Mr. Speaker, I rise in strong support. Thank you. Essentially what this bill, does to clarify what the previous speaker said, is the Parole Authority still remains intact. It still determines paroles for inmates. All this does is take the supervising and counseling functions and places it within the Department of Public Safety. Other states are going in this direction and have gone in this direction, and it's something that we should take a look at. Thank you."

Representative Moses rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. In opposition. In Hawaii somebody who gets ten years may only serve two. We heard this on the Floor earlier tonight. Therefore it is important that the Hawaii Paroling Authority oversee the eight years the offender will be on parole.

"Our Paroling Authority believes the DPS wanted to gain supervisory counseling responsibilities because the rate of parole revocation was high. But according to the Hawaii Paroling Authority, since they have received money from the Legislature, they have been able to create new programs, and parole violations have gone down. Hawaii Paroling Authority strongly believes they should continue to oversee parolees. Thank you."

Representative Sonson rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2265, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONS," passed Third Reading by a vote of 46 ayes to 5 noes, with Representatives Meyer, Pine, Stevens, Stonebraker and Thielen voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 908-06) recommending that H.B. No. 2717, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2717, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION," passed Third Reading by a vote of 41 ayes to 10 noes, with Representatives Ching, Finnegan, Halford, Marumoto, Meyer, Moses, Pine, Stevens, Stonebraker and Thielen voting no.

At 3:19 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2803, HD 1	H.B. No. 3030, HD 1
H.B. No. 2508, HD 2	H.B. No. 2265, HD 2
H.B. No. 1843, HD 1	H.B. No. 2717, HD 1
H.B. No. 2550, HD 2	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 909-06) recommending that H.B. No. 2109, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2109, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 910-06) recommending that H.B. No. 3019, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3019, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Pine and Stonebraker voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 911-06) recommending that H.B. No. 3089, HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3089, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES' TRUST FUND," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 912-06) recommending that H.B. No. 2698, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2698, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I stand with reservations and strong support of the concept and idea behind the House Bill 2698. This bill, this measure desires to implement standardization of workers' comp forms. And I have to tell you as a former employer and as someone who has been very, very involved in work comp reform since the '90s, this could be a great step forward.

"However, with that being said, there is a lot of work that needs to be done and for that work to be done it's going to require funding from this Legislature. For us to mandate this and recommend this and require this, I think this is great, but we really, really need to step up to the plate this Session and fund DCD to be able to do this.

"Standardization is going to require cooperation between the employers' insurance carriers, and the physicians, and DCD. They are all willing to do this. One of the things that we have found is workers' comp with billing and workers' comp with any type of forms, standardization forms, we are a very unique State in the type of work comp system that we have. Plus we're very unique in the fact that we have this hidden gross excise tax on medical fees and services, so to develop the EMR and to develop the standardization is going to take cooperation, but most important funding. And I would

like to see this measure go forward because it would really help to expedite payment, expedite services to the employees, but we need to fund this and fund this this year. Thank you."

Representative Marumoto rose to speak in support of the measure, stating:

"Mr. Speaker, in strong support. I would hope that as this bill proceeds we will look to reducing the amount of paperwork. It is quite onerous and takes a lot of time on the part of all involved. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2698, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 913-06) recommending that H.B. No. 2097, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2097, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker, in strong support of House Bill 2097. Mr. Speaker, I'm not sure if people had a chance to read an excellent editorial this past Sunday in the *Advertiser* by our newest colleague, the Representative from Waikiki, but if possible I'd like to have her editorial entered into our Journal," and the Chair so ordered."

Representative Arakaki continued, stating:

"And it's really great that even as the newest member, she has such a great insight into the problems of caring especially for our elderly. And I must say a lot of times it's not a matter of choice, a lot of us are forced into that situation and then we find out all the problems that come with caring for the elderly and disabled. I myself cared for my mom for over 10 years until she passed away last year. Unless, I think everyone here at one point of time either will have gone through this, is going through this, or in the future will have to go through this. And it's not something that you can really prepare for.

"But I think as policy makers it's important that we support our caregivers because here in Hawaii, in our culture I think it is so important for us to honor our elders, to care for our elders. At the same time here in Hawaii because of our economy it becomes very difficult financially to stay at home and care for a family member, but that is our choice and some people are making very difficult choices in giving up their jobs, giving up their lifestyle to care for a family member in need of care.

"So I would like to dedicate this bill not only to my mom, to the Representative from Waikiki's mom, and to all the others who are cared for by a family member in recognition of the work that goes into that and the fact that they probably save this State a lot of money. Thank you, Mr. Speaker."

Representative Arakaki submitted the following editorial from the *Honolulu Advertiser*:

"Elder care is Hawai'i's looming crisis

Our parents gave us life. They nurtured us throughout our development from infancy through to adulthood, self-responsibility and self-reliance.

As adults, we may find ourselves in the role of parenting new and unexpected children ... our mothers or fathers.

I am caring for my mother, now in her early 80s. In November 2002, she was diagnosed with chronic progressive dementia; Alzheimer's disease. I will likely care for her for many more years. A person with Alzheimer's disease lives from eight to 20 years beyond the diagnosis.

My mother displayed many of the classic characteristics of this dreadful disease, beginning with memory loss and child-like patterns of inappropriate behavior: unreasoning fear, hiding things, losing things and — most worrying to me — wandering.

One morning, when I was about to hop in the shower before leaving for work, I told my mom it was her birthday and a large parcel was waiting for her downstairs with the security guard at our condominium.

I told her to go to the lobby and get her gift while I took my shower. There was no sign of her when I had finished my shower. She had retrieved her parcel in the lobby but instead of returning, she left the building. Fortunately, the doorman spotted her and was able to get her back on track. We found the parcel on the sidewalk, where she had left it.

Because of my experience in caring for my mother, I want to share my story so that others can be better prepared when their parent becomes their children.

Up to 70 percent of people with Alzheimer's disease will wander and may become lost, especially during the later stages of the disease. Of those who become lost, 50 percent will die if not found within 24 hours. Continual supervision, sometimes even round-the-clock, is essential.

As my mother's disease progressed, there were increasing incidents of disorientation, minor combativeness and depression. Last year, she tried to commit suicide by jumping off our 10th-floor balcony. Clearly, it was time to seek full-time supervision.

At some point, you may need to become, as I did, the financial guardian of your parent. When caring for an elder who is chronically ill, you must be vigilant about expenses and the resources available to pay for their care. Expenses are for both medical care and "social" care, which is the daily care and social interaction necessary when caring for someone who cannot care for themselves.

The patient's own resources may not cover all expenses. And the caregiver may not be able to maintain a job outside the home, considering the amount of elder care that is required of them.

Parents normally prefer to take care of themselves financially, and they usually don't want their adult children to be involved in their affairs. But as they grow older, chances are that they eventually will need some help.

Adult children should discuss this matter with their parents while the parents are still rational. Assess their available financial resources, both income and savings. Make sure the parent is getting the proper Medicare or Medicaid coverage as allowed by law. Check Social Security payments and keep track of all paperwork pertaining to health-insurance claims and prescriptions. Check over all health insurance explanations of benefits when claims are paid or refused.

This is not just a critical health issue — it's a critical social issue. Entire families may be affected by the psychological, financial and social costs of providing a parent with long-term care. As their dependency increases, caregivers frequently must reduce their work hours, adjust or abandon career or personal goals, and may need to retire earlier than intended, compromising their own financial independence.

There is a looming crisis.

One-fifth of the state's adult population is 60 years and older. By 2020, this category will account for more than 25 percent of Hawai'i's adult population. Nearly one-third of this population group is expected to have functional disabilities.

Then there are the mounting costs. When nursing-home care is required, Hawai'i's families are burdened with annual charges they are unable to afford. In the case of elderly families, these charges are sometimes double their average annual disposable income. Not only are home, community-based care and nursing-home beds currently below requisite levels, the annual average cost for nursing-home care is estimated eventually to exceed \$200,000 per person. And this is only one component of an array of long-term-care services.

As a state representative with a dependent parent, I have a deep personal concern about long-term elder care. It can be horrendously expensive — particularly for nursing-home care as the estimate above indicates.

In my mother's case, her standard long-term-care policy, at a base annual premium of almost \$3,000, is limited to a maximum benefit amount of around \$70,000. This provides \$100 per day, each, for long-term and respite-care benefits, and a care advisory services benefit of \$1,000 per year.

As my mother's condition deteriorates, this presently affordable policy will quickly become inadequate. Our state government is particularly concerned about this impending long-term health crisis. The opening statement of House Bill No. 3129 states: "The Legislature finds that the future of long-term care for Hawai'i's senior and adult disabled population is one of the most critical health issues facing Hawai'i in the twenty-first century."

At the direction of the governor, the state Department of Health has established a long-term-care task force comprising the departments of health, taxation, commerce and consumer affairs — combined with people in the long-term-care insurance industry and health care sector. Working together, these governmental departments will be required to submit a report annually to the Legislature addressing the status of this act's provisions.

The purpose of the bill is to provide a tax credit to individual taxpayers and employers for premiums paid for long-term-care insurance contracts. Lawmakers need to support this bill so all of us can afford to care for the ones we love in their time of need.

State Rep. Anne V. Stevens, R-23rd (Waikiki, Ala Moana, Kaka'ako), wrote this commentary for The Advertiser."

*The Honolulu Advertiser
Sunday, March 5, 2006*

Representative Ching rose to speak in support of the measure, stating:

"Thank you. Just briefly in strong support. I think that again the benefits of people staying at home with family as they age has been well documented. And when we can make it easier for caregivers this is healthy for our families and our communities. I also would ask for additional written comments," and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in strong support of this measure. This legislation recognizes caregivers and provides a much needed tax relief.

"H.B. 2097 allows qualified caregivers to file a tax return and receive a refund if their tax commitment is less than \$1000.00. This tax relief for caregivers will save the State tax dollars for having those requiring care to remain in the comfort of their home with family, as the prices of care homes continue to rise. Caregivers

become incredibly invested in their recipients committing much, if not devoting all of their time and at times spending a significant amount of their own money in the process. By providing a refundable tax credit, this bill makes it financially possible for caregivers to continue their work.

"As a caregiver myself, I understand the role requires one to be 'on call.' The dedication required in taking on the responsibility of caring for a relative can be both physically and emotionally draining. It's time caregivers be recognized for their loyalty and dedication. In a society that is very family oriented, tax relief for caregivers is a way we can show our gratitude and appreciation, and aid those who aid others."

Representative Finnegan rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I'm in strong support and ask for written comments, please," and the Chair "so ordered."

Representative Finnegan's written remarks are as follows:

"This bill would provide qualified caregivers with a \$1,000 tax credit to every eligible caregiver providing long-term care to one or more elderly family members requiring such care at home."

Representative Meyer rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Meyer's written remarks are as follows:

"Mr. Speaker, I'm in strong support of HB 2097, HD2. With our population aging as it is, more and more people find themselves caring for an elderly relative. Nursing care costs are too high for the average family and the everyday needs of the ill or infirmed are attended to by family members. These folks must take time off from work, forego vacations, often performing double-duty by maintaining their homes as well as that of their loved one. The tax credit called for in this bill would help to compensate the care-giver for lost wages and out-of-pocket costs related to taking care of their sick relative. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2097, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CAREGIVERS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 914-06) recommending that H.B. No. 2248, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2248, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Hale rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Hale's written remarks are as follows:

"It has taken five years since we begun considering the Kikala-Keokea project here in the Legislature. In 2001, we appropriated money for the infrastructure, the roads and water lines to be put in. Five years later it is still not fully completed when it was supposed to be finished in two years.

"With this bill, we fund the Housing Revolving Fund from which we can make home loans so that the families displaced from their homes in Kalapana and Kaimu due to the volcano will be able to build new homes in Kikala-Keokea so that they can return to and revitalize the area. I just hope that the infrastructure construction

will be completed by the end of the year so that these families can begin to return."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2248, HD 2, entitled: "A BILL FOR AN ACT RELATING TO KIKALA-KEOKEA," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 915-06) recommending that H.B. No. 3060, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3060, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Karamatsu rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Karamatsu's written remarks are as follows:

"I rise in support. Through this bill, the High Technology Development Corporation will be able to extend its existing small business innovation research grant program to include a small business technology transfer program to encourage small companies and researchers at nonprofit research institutions, including research universities and colleges, to work together to move laboratory-developed technologies to the marketplace and to foster technology-based economic development. This program will strengthen Hawaii's technology industry by encouraging the partnership between small companies and researchers."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3060, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY," passed Third Reading by a vote of 51 ayes.

At 3:26 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2109, HD 1	H.B. No. 2097, HD 2
H.B. No. 3019, HD 1	H.B. No. 2248, HD 2
H.B. No. 3089, HD 1	H.B. No. 3060, HD 1
H.B. No. 2698, HD 1	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 916-06) recommending that H.B. No. 3202, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3202, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Kahikina rose to speak in support of the measure, stating:

"In strong support and I ask permission to enter written comments into the Journal," and the Chair "so ordered."

Representative Kahikina's written remarks are as follows:

"Mr. Speaker. The purpose of this bill is to authorize the counties to adopt inclusionary requirements in residential housing developments. This measure would ensure that families of all income groups have access to affordable housing.

"I strongly support this measure, Relating to Affordable Housing.

"The Joint Legislative Housing and Homeless Task Force spent numerous hours conducting research and meeting with various stakeholders to discuss Hawaii's housing crisis. Bold and creative

steps must be taken immediately to provide the thirty-six thousand housing units needed over the next five years for affordable housing for households earning one hundred forty per cent or less of the adjusted median family income. This Measure would endorse the Joint Legislative Housing Task Force's recommendation for an adoption of a model inclusionary zoning law."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3202, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 917-06) recommending that H.B. No. 3222, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3222, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 918-06) recommending that H.B. No. 2204, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2204, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Kanoho rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In very strong support. And this measure indicates a good faith effort to fulfill our obligations to our constitutional and statutory obligation to the Hawaiian people by providing the interim revenue that this bill would call for. Thank you."

Representative Moses rose to speak in support of the measure, stating:

"Thank you. On 918, in support with some comments. This measure formalizes the law where there's a recent agreement between OHA and Governor Lingle concerning the payment of public land and trust money to OHA, and that is good. It establishes OHA's prorated portion of the public land trust at \$15.1 million for each year beginning each fiscal year beginning with the fiscal year 2005 to 2006. I have no problem with that.

"I have some concerns about Section 5 though because it is prohibited, problematic at least, to the extent that it places an unreasonable burden on DLNR to provide an accounting of all public trust land revenue as received by all other departments and agencies of the State of Hawaii. I don't believe DLNR can do that. I don't even know. I mean it's a tremendous burden. I don't even know if all of the departments know all the land they own. I know that we have to do that in order to pay our debt, but I don't know how to do that. And I'm sure DLNR cannot do it, at least at this time. Thank you.

"I'm in support, but I just want to bring up those comments. DLNR, I believes just cannot act in accordance with this law as passed."

Representative Chong rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in strong support. And ask that the comments by Representative from Kauai be added as my own," and the Chair "so ordered." (By reference only.)

Representative Chong continued, stating:

"And if I can also add regarding Section 5 of the bill, to truly, fairly, and justly address the issue of ceded land revenue somebody is going to have to take a look at all the land and make an inventory.

"DLNR clearly is not interested in it because of the workload. I understand that it's going to take a lot of work. At the same time, I think it's important that a body that is experienced in land management and more so, more importantly, an agency that can take a look at all lands, especially those that receive special funds and I think that is going to be the crux for this issue is taking look at lands which derive special revenues. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2204, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 919-06) recommending that H.B. No. 2440, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2440, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, in support with some reservations. The intent of protecting student athletes in education institutions from unethical athlete agents is fine. But I'm concerned about a provision in this bill that exempts this measure from the requirement that the new regulatory measures being considered for enactment be referred to the Auditor for a sunrise analysis.

"The Legislature has never given an exemption from the requirement before. Actually this is to not make them go for the sunrise analysis. And we've never given this exemption before and I'm concerned if it passes, this bill could act as a precedent of a new regulatory measure being exempted from this needed invaluable sunrise analysis requirement."

Representative Meyer rose in support of the measure with reservations, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Meyer's written remarks are as follows:

"Mr. Speaker, I'm rising in support with reservations. HB 2440, HD2, proposes that the Legislature exempt this measure from the sunrise analysis. The exemption from this requirement that is proposed in the bill serves as a means to circumvent a valid, necessary, and statutorily required process. No compelling reason was given for exempting this measure from the statutorily required process. For that reason, I cannot give my wholehearted support to the measure."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2440, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM ATHLETE AGENTS ACT," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 920-06) recommending that H.B. No. 3261, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3261, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative M. Oshiro rose to speak in support of the measure, stating:

"Mr. Speaker, in strong support and permission to insert written comments in support," and the Chair "so ordered."

Representative M. Oshiro's written remarks are as follows:

"Mr. Speaker, I rise to speak in favor of House Bill No. 3261, House Draft 1, Relating to Ingenuity Corporation Charter.

"This bill would provide the statutory framework for the establishment of the Hawaii Ingenuity Corporation, an entity that protects intellectual property, stabilizes jobs, and promotes technology in public education. The corporation has the ability to hold intellectual property for inventors and license that property to businesses. Once the business implements the invention, the labor force becomes the ultimate user. Having inventors and labor collaborate with educators will create a win-win situation for the people of Hawaii.

I. INTELLECTUAL PROPERTY IS A CORNERSTONE OF AMERICAN SOCIETY

"Mr. Speaker, intellectual property is a cornerstone of the United States. In our schools, children are learning about Thomas Edison's incandescent light bulb, Alexander Graham Bell's remarkable telephone, and the Wright Brothers' airplane taking flight for the first time. The list is endless. The fruits of American ingenuity have produced industries and capital that expanded our economy and created a lifestyle that we all enjoy.

"The inventors of today face more difficulty in inventing from their historical counterparts. Long gone are the days where inventors tinkered in their garage or basement -- these places have turned into laboratories and factories -- places where inventors are watched under a microscope and must adhere to strict requirements and deadlines. Corporate competition has also stifled innovation. Larger companies, like Microsoft, have crushed competitive software and successfully dominated the market. We cannot allow this type of behavior to cripple innovation.

II. ESTABLISH HAWAII AS AN INNOVATIVE LEADER

"Mr. Speaker, the 2006 Legislative Session will be remembered for our commitment to Hawaii innovation. Legislation enacted this year will be geared toward promoting technology and growing our high-tech industry. As with House Bill No. 2181 House Draft 2, which creates the Hawaii Innovations Partnership Act, this will reaffirm our commitment toward high technology.

"House Bill No. 3261, House Draft 1, works hand-in-hand with high technology by creating a conduit to assist inventors with protecting intellectual property rights. With the Ingenuity Corporation in place, inventors can take their innovations to the corporation for assistance in obtaining patents, copyrights, or other intellectual property. After an inventor licenses the technology to the corporation, it can assist with marking the technology to businesses.

"Hawaii, under Governor Benjamin Cayetano, took the first step to promote intellectual property in Hawaii. In a letter to the governors of the other forty-nine states, Governor Cayetano wrote:

"Historically, innovation has led to technological advancement and that advancement has created jobs and even new industries. Independent inventors, not large corporations, have contributed the majority of this country's most important inventions. Protecting the patent rights of independent inventors is of the utmost importance to the future prosperity of states as we move into the next century."

"In a Pacific Business News opinion piece from Dr. Raymond Damadian, inventor of the MRI, he wrote:

"I conclude by expressing my gratitude to Gov. Cayetano for recognizing the importance of independent inventors to the economy and for having the foresight and courage to stand up on our behalf. I say this despite the fact that my support for Republican politics -- including President Bush -- is a matter of public record . . . Cayetano is sending a clear message to independent inventors. The result? Companies like mine -- which are built on the patented inventions of their founders -- will begin taking a serious look at Hawaii as a place to do business."

"Hawaii has gained a national following from organizations around the country interested in the Hawaii Ingenuity Corporation. John P. Connolly, President of the American Federation of Television and Radio Artists (AFTRA), provided his insight into the proposed measure:

"The Ingenuity Corporation that HB 3261 envisions, with its alliance of scientists, workers, educational institutions and the people of Hawaii, will be a major factor in restoring balance and fairness to the current jungle warfare over patents. Not only will HB 3261 help create a level playing field for the orderly administration of crucial inventions and intellectual property, it will also create a mechanism through which society -- most particularly the inventors themselves, workers, and the educational institutions of Hawaii -- will share in the benefits of the enterprises of the future."

"If Hawaii becomes the first state to create this entity, it would promote Hawaii as an innovative leader.

III. LABOR MAY CONTROL THE TECHNOLOGY THEY DEVELOP

"Under House Bill No. 3261, House Draft 1, the labor unions play a pivotal role. By having a stake in the corporation, labor will have an incentive to protect intellectual property in the workplace. Since the workers are implementing the new technology, they will have an insight into the proper use of the intellectual property license.

"The unions also have the ability to promote the use of technology in the workplace. Imagine a worker who knows of technology that could save a business thousands of dollars. Workers would be anxious to bring that technology to the business because both will benefit. Unions also have the bargaining power to promote technology in the marketplace to the benefit of all the members in the corporation.

IV. THE CORPORATION WILL ANCHOR JOBS LOCALLY

"As many of you already know, Del Monte is ceasing operations in Hawaii this year. What many of you do not know is that Del Monte owns two important pineapple patents invented in Hawaii: a special coring device and a CO2 hybrid pineapple, known as the Del Monte Gold for its low acid and sweet taste. Del Monte has taken these patents from our fertile lands of Kunia to the Philippines to cultivate pineapple. What is the result? Seven hundred of Hawaii's people are losing their jobs, their homes, and their livelihood.

"House Bill No. 3261, House Draft 1, seeks to correct these problems by teaming inventors and labor together in a collaborative partnership. The story would have unfolded differently if the patent owners placed the patents in the corporation and Del Monte only owned the license to use them in Hawaii. Del Monte could have left Hawaii this year, but their patents might have stayed here on Hawaii's shores to grow *Hawaiian pineapple*.

V. THE CORPORATION SUPPORTS INNOVATION IN THE PUBLIC SCHOOLS

"Mr. Speaker, the final component of the House Bill No. 3261, House Draft 1, is public education. We have all stressed the need to provide opportunities in education to our young residents. The

children of Hawaii are the inventors and the workers of tomorrow. The Ingenuity Corporation will promote innovation and technology in the classroom. This will ensure that Hawaii can continue to be a leader in innovation and a champion of intellectual property in the United States.

"For these reasons, I urge my esteemed colleagues to support this measure. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3261, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INGENUITY CORPORATION CHARTER," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 921-06) recommending that H.B. No. 2182, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2182, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. Mr. Speaker, I'm rising to speak in support of the Relating to Education bill. Thank you. It's talking about the Fix Hawaii School Act which I hope actually that if we pass this with the appropriate money that it will at least take a step forward on that.

"I particularly would like to thank the Chair of the Education Committee for integrating into the bill my idea that I've been working on for about 3 years and that you'll find on page 4 of the bill section 10. It's the new school construction special fund.

"I worked with the Administration and with the Department of Education Superintendent to find a way that we could mirror what the military is doing to develop the new housing out at Pearl Harbor. And it's a public-private partnership where the private company develops the housing, leases it back to the military with an income stream from the rents from the projects, and at the end of a certain period of time the military owns the units.

"We worked on the same kind of a process here and I was delighted to find that provision put into the bill by the Chair of Education on page 4. So it's really a 'win-win' situation. If we look at some of our schools that are really not even viable to be repaired, but which would be better off to have them be demolished and rebuilt. We could do it with the same kind of thing that Actus Lend Lease is doing now with the military at Pearl Harbor.

"We could enter into a private-public partnership where the developer can build a real state-of-the-art school, wired, hi-fi wired and really 'up to snuff' with wonderful facilities. The Department of Education would lease the school back and at the end of a certain term whether it's 45 years or 50 years, the Department would own that school.

"The funding source is put within the bill and I really encourage my colleagues to look at that. It's been well thought out, all the players bought into the idea, and I think we should move ahead and I strongly support that specific provision. Thank you."

Representative Finnegan rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I rise in support with some reservations. Thank you, Mr. Speaker. There are two parts, well actually there's more than two parts to this bill, but two parts that I'd like to speak on. We do appropriate money for repair and maintenance, and CIP and that part I can agree on.

"The part that I would like to see addressed though that is not addressed in this bill is just basically how we fix our schools. Right now we have priority lists and everything that comes down from detailed meetings that happen at the school level. And for some reason or another, the schools at times don't understand how that priority list comes down, or how that priority list ends up and how those priorities are made on a statewide level.

"It's been kind of confusing because I initially thought it was just what they called 'pork' projects on the Legislatures part, but from my understanding and talking to some of the schools, it happens at every level. So I think what we should be doing is aside from appropriating money, we should be looking at different ways to improve this system so that we are taking care of the buildings that are either dilapidated or the CIP projects that are really needed in our schools. And only through a better process I think that we would be able to have projects that are needed and requested at the school level.

"The other thing that I'd like to talk about is our Representative from Kailua's idea which I think is a very good one. However the only thing that I'd like to say about that is that if you are going to have this opportunity as it states in this bill, that you have that opportunity extended equally to the University of Hawaii.

"I believe last year when a similar measure went to the University of Hawaii, we capped them at a very small amount. And correct me if I'm wrong, but I think it was like \$3 million. In this case it looks like we are willing to do this for the DOE without any cap. What this means is even though it has a funding mechanism in there, that it could possibly say if they do want to overextend, and they don't have the money to fund it, that it would still obligate us as a Legislature or obligate us as a State to make sure those things are funded.

"So as we move forward on this bill I appreciate this. I do want to basically give credit where credit is due and this is something that we definitely need.

"One other side moments since you know I'm a big advocate of Charter Schools and one of the main reasons why we're pushing this through is because we want to see the environment for schools be upgraded and be a good environment for learning. And I just want to let you know that this year I'm really glad that we're moving at least it seems like we're moving for Charter School facilities money. And Charter Schools if there's any type of school or education environment that had been struggling right now, it would be the Charter Schools.

"Some of these Charter Schools according to an article that was written within the last two weeks I believe reported that we've seen Charter Schools operating on buses, in chicken coop houses, in tents, in dilapidated buildings, and I'm really glad that we are taking this step to look at Charter Schools funding facilities. Thank you."

Representative Takumi rose to speak in support of the measure, stating:

"Thank you very much, Mr. Speaker. In support of the measure. At the risk of being accused of being part of a mutual admiration society, I would like to recognize Representative from Kailua for that idea about the certificates of participation. It's a great idea. I would think by putting it into this bill and having it move along is something that we should fully support. It just goes to show you that a good idea, is a good idea, is a good idea.

"And to respond to the Minority Leader's comments, this bill was in the intent to deal with the whole issue of privatization of CIP, but in fact in Act 51 as we all know, Mr. Speaker embedded in that Act was a delinking of certain agencies from the Executive branch to the Department of Education that included the Department of Accounting and General Services. When DAGS delinked, it gave the Department far more control, autonomy, and authority over their

repair, maintenance, and CIP destiny. We really believe that by doing this, they will be able to get a far better handle on prioritizing what should be done and in what order. Thank you very much, Mr. Speaker."

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I'm rising in support with some reservations. I am concerned that by allowing the DOE to enter into financing agreements without the approval of the Director of Finance, the DOE would be allowed to incur debt that would become a State obligation without regard to the statewide budget.

"Rating agencies who review the rate, the State's debt taken into consideration, the amount of debt incurred under such financing agreements and the review and management of such financing agreements. This proposal would not be viewed favorably by the rating agencies and then it could negatively impact the State's credit rating, so that's a concern with the way the bill is right now. Thank you."

Representative Stevens rose to speak in opposition to the measure, stating:

"Mr. Speaker, I reluctantly rise in opposition to this measure. Thank you. It's very, very important to fix Hawaii's schools, but I have concerns about the provision in this measure where it allows the DOE to enter into financial agreements without the approval of Director of Finance.

"Budget and Finance is responsible for preparing and executing the statewide budget and this proposal would allow the DOE to incur debt that is not incorporated in our budget and would possibly negatively affect and impact the State's budget.

"I'd like to give credit to the Chair of the Education Committee for coming up with this idea and it's novel to fix the schools, but I just don't believe that the DOE should be allowed to enter into any financing arrangements without Budget and Finance being involved. Thank you."

Representative Ching rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In strong support. I think that this bill is giving the flexibility needed to improve the schools and I agree with the Chair of Education; a good idea, is a good idea. However, I do want to mention that I think when we give the DOE their resources, we want to make sure there's adequate resources and then again there's responsibility. So written comments, Mr. Speaker," and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in support of this measure which will authorize the Department of Education to independently issue "Certificates of Participation" (COPS) when initiating the construction of new schools and establish a special fund from which lease back payments may be made to the developer. This legislation will provide alternative funding sources to supplement the traditional direct appropriation model and places resources directly where it is needed and allows the Department of Education to administer funds to improve school conditions at not only at the primary and secondary levels, but in Hawaii's post-secondary school educational system, as well.

"This measure represents one of the greatest investments we can make as a State – our youth. Clean, safe, secure, and well-maintained environments are essential to maximizing students' learning capacity. It is important that we make investments in our education facilities."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2182, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Stevens voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 922-06) recommending that H.B. No. 2833, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2833, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I'm in support of this idea, but I have some I think very significant comments to make. Well, let's make it reservations then. And this is in my district and I'm a co-sponsor of the measure, okay. I just want to say, we know that offenders receive programs and employment opportunities in prison prior to being released, if they do, but they have a much better chance, a greater opportunity to succeed. This is right out of the Section 1 of the measure.

"Inmates use these opportunities whether they're classified at the minimum or community custody level, are more likely to successfully return to society rather than going back to prison. These are inmates that have demonstrated that they can function with minimal supervision in a correctional setting or in the community under direct supervision. Community custody inmates are eligible to participate in community release programs such as work furlough, extended furlough, or residential transitional living centers.

"Now I signed this measure because I don't think we do this. I don't think we're currently doing this, if we're doing it, we're not doing it near enough. And we should be doing this because prisoners when they get released, most of them, and they come back to us. So what are we going to do about them? So this measure provides that the Department of Public Safety is authorized to plan to build minimum-security housing. No mention of a prison. Minimum-security housing of the type that can be erected in a fairly short amount of time.

"If you look out at Kalaeloa right now in front of Barbers Point you see giant white structures out there that look like igloos. That's this military temporary housing because it can be erected and taken down. And so the DPS is authorized to build these structures on a portion of Kalaeloa under the jurisdiction of the Hawaii Community Development Authority.

"Now HCDA doesn't own any of that land, but they do have some under their purview because they're looking at redevelopment. Department of Public Safety and HCDA shall explore the feasibility of planning, designing, and constructing a suitable minimum-security facility at Kalaeloa site using prefabricated and quick-build design housing programs.

"So I want to make the point, first of all this is housing not a prison. I may change my mind if I see a bunch of constituted wire, razor wire, barb wire, pits and trenches, rock walls, things like that. That's not what this is envisioned to be. I don't know that we've already done this before. This is maybe something of a new idea. It's something that may work and we should investigate it.

"And two, there must be community input and the Chairman of the Committee report. So we have to go to the community ask them, talk about it with them, get their input before we do anything. I liked to point that already out there at Kalaeloa we have Youth Challenge, and I think by now all of you know what Youth Challenge is. These are the kids that were going to go to prison and the judge said, 'You got one more chance.' Or maybe they even decided when they were

dropping out of school that they ought to do something to get their lives back together. So these kids are one step removed. Would have been prisoners, but they're getting all this rehab and training and many of them, in fact they all will end up graduating unless they drop out. And many of them will end up with scholarships and go on to college or other careers.

"Also out there at Kalaeloa we already have the VA homeless. And they're getting rehabilitated and trained. Again if they don't want to participate they can drop out. Nobody's standing there with a gun to their head. And if they successfully stay with the program, they'll end up beneficial to the society. They end up taking care of themselves. So I think that's what we're looking at trying to do here. I don't know if it will work. I don't know if it'll fit into HCDA's plan, but I think it's worth looking into. Thank you."

Representative Chong rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I rise in strong support. Thank you."

Representative Meyer rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I'm rising in strong support of this measure. Right now we have 2,459 inmates who qualify for reintegration programs through educational opportunities, substance abuse treatment, vocational training, employment opportunities, and workline projects in the community.

"As the bill says, we have Waiawa where prisoners are getting ready to be released. Also Kulani on the Big Island. I think this could be a real 'win-win'. I mean I think that there will have to be public hearings, but these folks are ready to leave prison, but they need to get into some kind of work furlough program.

"Kalaeloa since the military moved out, nobody's really been maintaining it. There is just scads of work to do there. The beaches are often littered, grass needs to be cut, all kinds of things and these are things that prisoners who are getting released to get out in the mainstream. They can get to work in worklines and feel like they're giving back. And there is just a number of people at Kalaeloa who see all this good work being done, everybody's going to feel good.

"The kinds of building that they're planning to erect are the types that our troops put up when they're in foreign countries or when there's any kind of catastrophe. I mean it's just a quick put up. It's not a big expensive thing. And HCDA is managing it. This may not be long term. I mean maybe we're going to make this a pilot, I don't know.

"But it's kind of exciting because we do have a problem. The Public Safety Department doesn't have enough room. And for prisoners who've been in prison for a long time, there is a lot of anxiety about getting back out there and worrying about failing and this is the step from the prison to the work furlough. And the more that they can feel good about what they're doing and get training, it's positive for all of us. Thank you, Mr. Speaker."

Representative Cabanilla rose to speak in opposition to the measure, stating:

"Mr. Speaker, I rise in opposition of this matter. We in the Leeward side have been very helpful to the State. We house the dumps. We take the homeless. We take training facilities for the youth and now we're taking again inmates that are about to be released. And I agree with all the statements that have been said. I think the Leeward side has taken their share and I think it's about time that the other part of the Island should have theirs too.

"There's a lot of places here that could benefit from the services of these inmates that are about to come out. Not to mention that in Waipahu, we house halfway houses and care homes. And I think it's

about time that our prisons should be located on the other islands or elsewhere besides the Leeward side. Thank you, Mr. Speaker."

Representative Pine rose in opposition to the measure and asked that the remarks of Representative Cabanilla be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Sonson rose to speak in support of the measure, stating:

"Thank you, Vice Speaker. Strong support. This is a great idea. This will provide an alternative placement for those who are currently living in Waipahu in a place called 'Alcatraz.'

"What we normally do now, Mr. Speaker, is that because there is no room in the prisons, these individuals who qualify, that will be housed in facilities such as described in this bill, are housed in alternatives, transitional housing. And a lot of them are actually in Alcatraz, Waipahu. I think that's the district that belongs to the speaker who is opposing this bill. I hope that she would reconsider because this is such a great idea. It will provide vocational training, it will provide substance abuse and drug treatments. And we can prepare these individuals and integrate them into the community. Ease them into the community instead of get them running out there, right in my neighborhood, your neighborhood and say, 'You know what? It's up to you. Fend for yourself.'

"This is taking responsibility. This is not only punishing them for stepping on cabbages and destroying farm equipment and stuff, but afterwards you rehabilitate them and make sure that before they go back into a community they are ready to take on jobs that's beneficial for themselves, their families, and of course it will keep them out of trouble. Thank you, Mr. Speaker."

Representative Karamatsu rose in support of the measure and asked that the remarks of Representative Chong be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2833, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PRISONS," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Cabanilla and Pine voting no.

At 3:53 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 3202, HD 1	H.B. No. 3261, HD 1
H.B. No. 3222, HD 2	H.B. No. 2182, HD 1
H.B. No. 2204, HD 2	H.B. No. 2833, HD 2
H.B. No. 2440, HD 2	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 923-06) recommending that H.B. No. 3080, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3080, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Karamatsu rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Karamatsu's written remarks are as follows:

"I rise in support. This bill is a collaborative refinement by State and county film offices, industry and union representatives of a similar bill that stalled in Conference during the 2005 Legislative Session. It offers significant, but reasonable incentives to stimulate the film and television industry, which experienced a \$64 million drop in expenditures between 2004 and 2005.

"The bill provides a tax credit amounting to 15 percent of qualified production costs incurred on Oahu, and 20 percent on Neighbor Islands, with a cap of \$8 million per production. According to film industry officials, this would make Hawaii competitive with other jurisdictions.

"The Department of Taxation submitted testimony in strong support of the measure, stating that the tax credit allows Hawaii to compete in the worldwide marketplace of filming locations and that it is budget neutral, meaning that the tax credit would not impact the state's current expenditures.

"The success of "LOST" in winning the Emmy, Golden Globe, and Screen Actors Guild Awards has brought positive attention to the film industry in Hawaii. If we can seize the moment and compete with other localities around the world, we will generate revenue and create jobs for our community."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3080, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DIGITAL MEDIA," passed Third Reading by a vote of 50 ayes, with Representative Tsuji being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 924-06) recommending that H.B. No. 2746, HD 2, as amended in HD 3, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2746, HD 3, pass Third Reading, seconded by Representative B. Oshiro.

Representative Thielen rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I'm rising to speak against the bill accompanying Standing Committee Report No. 924. Thank you. Mr. Speaker, the bill will exempt aviation fuel from excise use and fuel taxes. This means that our two major airlines won't have to pay taxes on their fuel. It amounts to I believe it's approximately not sure the exact number of millions of dollars that they will be accredited with. \$27 million that will be the tax loss to this State.

"I looked really hard on the bill, Mr. Speaker, to find a provision that say that if they get that tax credit they then reduce the inter-island fares proportionally. I couldn't find any such credit, any such provision. So what we're doing is handing off the airlines a big tax credit, and yet we aren't providing meaningful tax credits for our residents in this State.

"I also looked at the Order of the Day, Mr. Speaker, I didn't find any meaningful tax credits for our residents similar to this. So I would say that people that vote for this are voting for tax credits for big corporations, but they aren't voting for tax credits for our residents who are highly overtaxed. Thank you."

Representative Souki rose to speak in support of the measure, stating:

"Mr. Speaker, I wish to speak in favor of this. This is for the local domestic airlines. The tax impact to the State of Hawaii will be approximately \$3 million. What was reported in the newspaper as \$10 million is incorrect. The Department of Taxation incorrectly computed the number. So I called the respective airlines and I double-checked again, and it's approximately \$1.2 for Hawaiian Airlines, and approximately \$1.5 for Aloha, and the balance will be from the other smaller domestic airlines. So the cost to the State will be approximately \$3 million for the excise tax loss. And this will keep the airlines viable and provide for continual transport between the islands. Thank you very much."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2746, HD 3, entitled: "A BILL FOR AN ACT RELATING TO AVIATION FUEL TAXES," passed Third Reading by a vote of 46 ayes to 4 noes, with Representatives Berg, Finnegan, Pine and Thielen voting no, and Representative Tsuji being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 925-06) recommending that H.B. No. 2991, HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2991, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Meyer rose to speak in support of the measure, stating:

"Mr. Speaker, this is one of those bills that I will ... I am in support for special purpose revenue bonds for low and moderate-income housing. This just falls into that category of other legislation that we're moving. It may actually increase the cost of projects for low and moderate-income housing and that's a concern. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2991, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS," passed Third Reading by a vote of 50 ayes, with Representative Tsuji being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 926-06) recommending that H.B. No. 2051, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2051, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I stand in strong support and I'd like to submit written comments to the Journal," and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise to speak in favor of this measure.

"Our State already has laws against prostitution and other crimes, so why do we need an anti-trafficking law?

"According to the National Institute on State Policy on Trafficking of Women and Girls, "Until states enact comprehensive anti-trafficking laws, prosecutors use existing criminal statutes to prosecute traffickers for such crimes as: false imprisonment, kidnapping, rape and aggravated assault. But these laws are insufficient—and they do not criminalize all manifestations of exploitative trafficking into the United States and don't offer protection from prosecution for all trafficked women, girls and persons."

"Criminalizing human trafficking should bring State law into accord with the federal Trafficking Victims Protection Act of 2000, as reauthorized in 2003, and would enable local and State law enforcement to investigate and prosecute those crimes, working in partnership with federal law enforcement.

"Another aspect of trafficking is the regulation of 'international marriage brokers' that operate to bring mail order brides to our State. In 2003 our State became the second in the nation to pass such a law. Additionally, in 2004 Hawaii became the first state in the nation to regulate travel services that operate in the state to facilitate sex tourism.

"The provision of social services and victim assistance to trafficked persons is an important aspect of any trafficking legislation. The taskforce that is part of this bill will be charged with looking into this important part of the puzzle that is not addressed in the present draft.

"Not perfect legislation at this point, the passage of this bill out of the Judiciary Committee is a major milestone. It is hoped that the many important people in our community including police, prosecutors, immigrant services, public defenders, domestic violence coalitions and victim advocates will work together to determine the nature and extent of trafficking in our community, and make recommendations for legislative, policy and programmatic initiatives.

"Although most of what we read and hear concerns the horrors of trafficking of persons in other countries, the United States, and yes, Hawaii, are major 'destinations' for traffickers. We are obligated, therefore, to respond to this most appalling violation of the basic human rights of women and girls, men and boys.

"I urge my colleagues to support this measure. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2051, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROTECTION FOR VICTIMS OF HUMAN TRAFFICKING," passed Third Reading by a vote of 50 ayes, with Representative Tsuji being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 927-06) recommending that H.B. No. 2655, HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2655, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Cabanilla rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in strong support of this measure. This important measure will enhance investigation process and improve upon the procedures associated with investigating vehicular and pedestrian fatalities on our roads.

"To put it simply, Mr. Speaker, this bill will bring the latest technology directly to the accident scene for the purpose of documenting and recording circumstances surrounding the accident, as well as fund additional training for police officers to work this latest technology.

"Equipment such as computer-aided drawing software and digital cameras, together with survey systems and printers can be transported directly to the accident scene to expedite this investigation. This bill will open up our roads quicker, and without compromising the investigation process. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2655, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE ACCIDENT INVESTIGATION," passed Third Reading by a vote of 50 ayes, with Representative Tsuji being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 928-06) recommending that H.B. No. 3129, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3129, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Ching rose to speak in support of the measure, stating:

"Thank you, just in strong support and permission to insert written comments," and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in support of H.B. 3129. This measure provides an income tax credit to individuals and employers for purchasing a long-term care insurance program.

"Analyzing today's demographics clearly displays a massive population which lacks sufficient healthcare, or the funding to acquire it. If no assertive action is taken now, monumental and unsolvable future healthcare problems will continue to plague and burden our State. Institutionalized long-term care averages around \$75,000 a year. Consequently, most care is financed through government funding. Medicaid carries most of burden. However, due to Medicaid's current and future financial situation, alternative avenues need to be investigated if the program is to survive. H.B. 3129 eases pressure on government institutions in providing long term care by encouraging individuals to purchase long-term care insurance. The bill also supports employers who purchase long-term care insurance for their employees.

"A tax credit helps lower the cost of purchasing long-term care policies. The greater the tax credit, the more incentive individuals or employers will have in taking responsibility and securing their future needs.

"H.B. 3129 is a catalyst which encourages individuals to take appropriate steps in providing for their loved ones future needs through long-term care coverage."

Representative Meyer rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I am in strong support of this measure."

Representative Finnegan rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Finnegan's written remarks are as follows:

"This bill provides a tax credit to individual taxpayers and employers for premiums paid for long-term care insurance contracts and requires the Department of Taxation in cooperation with the Department of Commerce and Consumer Affairs to submit a report to the Legislature.

"As written, the bill will only help those individuals who can afford to pay the premiums and can wait a year to get only a percentage of the cost back at the rate of about 6 % to 10%. It is somewhat questionable that employers who are now decreasing."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3129, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM CARE," passed Third Reading by a vote of 50 ayes, with Representative Tsuji being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 929-06) recommending that H.B. No. 3133, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3133, HD 2, entitled: "A BILL FOR AN ACT RELATING TO FEDERALLY QUALIFIED HEALTH CENTERS," passed Third Reading by a vote of 50 ayes, with Representative Tsuji being excused.

At 4:00 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 3080, HD 1	H.B. No. 2655, HD 1
H.B. No. 2746, HD 3	H.B. No. 3129, HD 1
H.B. No. 2991, HD 2	H.B. No. 3133, HD 2
H.B. No. 2051, HD 1	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 930-06) recommending that H.B. No. 2043, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2043, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Shimabukuro rose to speak in support of the measure, stating:

"Mr. Speaker, in strong support with written comments," and the Chair "so ordered."

Representative Shimabukuro's written remarks are as follows:

"Speaker Say and House Colleagues, I submit these comments in support of House Bill 2043, Relating to Medicaid, which dramatically reduces the co-payments that the elderly, disabled, and indigent have to pay in the Medicaid and QUEST health insurance programs.

"Under the current system, the elderly and disabled must impoverish themselves in order to qualify for Medicaid. For example, in my work at the Legal Aid Society of Hawaii, it is very common to see the following scenario: A person is disabled and must depend on welfare to survive. The welfare office requires them to apply for federal Social Security benefits. The person applies and is approved. Sadly, if their Social Security benefits are just \$21 more than the Federal poverty level, which is about \$1000 per month for one person, they lose eligibility for Medicaid health insurance.

"The only option the Medicaid program offers to a person in this situation is the "Cost Share" option. Under the cost share, or "Spend Down" program, the person must pay a co-payment equal to the difference between their monthly income and the current welfare assistance amount, which is \$418 for one person. This means that if your income is \$1050 per month, you have to spend over \$600 every month on medical expenses before you can qualify for Medicaid.

"Often my clients do not have over \$600 worth of medical expenses per month, or they lack the capacity to complete the cumbersome process of gathering \$600 worth of receipts, submitting them to DHS, and completing the other necessary paperwork every single month. In these situations, my client tragically loses their medical coverage.

"Losing Medicaid when you are elderly or disabled is beyond traumatic. Can you imagine the prospect of not having coverage for the medications and healthcare that are essential to your survival?

"Although the person may be eligible for Medicare health insurance through the Social Security Administration, they must wait over two years to qualify. Further, even if you are lucky enough to qualify for Medicare, the sad fact is that Medicare does not cover prescription drugs, dental, or nursing home care.

"So, our government in many ways has failed the most vulnerable in our society. The elderly and disabled are so often left in the horrible situation I just described.

"This bill is strongly supported by AARP, the Legal Aid Society of Hawaii, the Welfare And Employment Rights Coalition, and the thousands of elderly and disabled who do not have a voice. DHS

estimates this bill will cost only about \$800,000. It is a very small price to pay to provide hope to those among us who absolutely need it most. I urge all of my colleagues to support this crucial measure."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2043, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MEDICAID," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 931-06) recommending that H.B. No. 2551, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2551, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 932-06) recommending that H.B. No. 2743, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2743, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Berg rose to speak in support of the measure, stating:

"Thank you, Mr. Vice Speaker. I rise in support of this and also reassure all those who might be listening that perhaps we can look at finding criteria to enable schools to stay open in creative ways, rather than to create criteria that will categorically close them if they don't meet certain qualifications. So I appreciate working on this further. Thank you."

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

"In support. I have some unique grounds on the Big Island. I have 40 miles distance between K-6 schools so a kindergarten student in many cases has to travel 20 miles to go to school, and that's not realistic or acceptable in this State. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2743, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 933-06) recommending that H.B. No. 1866, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1866, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. In support with reservations. Last year via Act 137, the sunset date was extended another year. And originally that legislation repealed the sunset date and gave the DOE and UH permanent autonomous authority.

"It was later amended by the Senate who felt that further examination of the UH and DOE authority is needed. So it was best to extend the sunset date one year at a time. According to some, the bill's scope is extremely broad and provides no detailed justification of the changes it proposes now.

"DAGS testified that they're concerned about a sunset of the law's current provision can be addressed by extending the sunset date rather than repealing it all together. Thank you."

Representative Takumi rose to speak in support of the measure, stating:

"Mr. Speaker, if anyone knows the history of this measure ... Yes, Mr. Speaker, in support. And this bill was passed in 1986. It's been 20 years. In my opinion, anytime we have a bill and we put a sunset in it and then we take a look at it when that sunset comes up, we make a decision what to do.

"We did that with this measure. We extended the sunset in 1987 and 88 and 93 and 97, 98 and 05. I think there comes a point either you repeal the sunset or you just repeal the law. I believe we should repeal the sunset. Thank you, Mr. Speaker."

The motion was put to vote 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 EDUCATION," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 934-06) recommending that H.B. No. 2212, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2212, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Sonson rose to speak in support of the measure, stating:

"Thank you very much. In support. I'd like to take this opportunity to say something regarding the discipline of children who violate the substance abuse rules of the schools. What's been happening, according to children that came forward and said that should be changed. They said the current policy allows a school to disallow these students to come back to school. They will suspend them for a period of time. In which case according to the children said it's great because they don't have to come to school.

"Now these are kids who are supposed to be our responsibility to educate them. They have been found to have issues and problems with substance abuse, etc. And what happens is that they're actually taking a punishment and looking at it in a different way. This is like, this is great. I'll go to the mall. I'll go and spend more time with my friends, etc. and not go to school.

"Well they had suggested that the DOE should provide in-school suspension. What that actually means is that, they're suspended from regular activities, however, we put them some place in school. I don't know if that's possible at this point, but we should take a look at it anyway to incorporate treatment suspension and still have them present in school, perhaps doing alternative school work instead of being out there in the community where they can very well get into further trouble and end up at HYCF. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2212, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SUBSTANCE ABUSE," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 935-06) recommending that H.B. No. 2130, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2130, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Stevens rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I'd just like to note my reservations on this measure. I am in support of maritime lands. However, I just believe this bill will create an unnecessary extra layer of oversight. And it might tie the hands of Department of Transportation Harbors Division from entering into leases, or short-term leases, or other operations that might be able to enhance the maritime industry and bring much needed revenue into the program. Thank you."

Representative Harbin rose in support of the measure with reservations, and asked that the remarks of Representative Stevens be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Yamane rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. Our illustrious Speaker Emeritus, Joe Souki, our Chair of Transportation, has brought to the forefront the issue of harbors. And so if you look at the current situation ... I'm standing in strong support. We have to think of this in mind. It's estimated that 98% of all our goods consumed in our State are brought through our harbors.

"This bill will establish a commission which will look into these upcoming concerns that are facing our State. It is projected that there will be an increase of 27% of volume by 2010, 66% by 2015, and 93% by 2020. Our harbors handle an average of 8,800 20-foot containers per terminal acre. We're reaching a crisis, Mr. Speaker.

"It is projected that currently there is \$600 million in need and within the next four years, an additional \$125 million. We need to make that commitment now. This bill will, yes, part of it will develop the commission designed to look at these needs. Also part of this commission will map out the important harbor lands so that it is used most effectively.

"In this book that was completed by the harbor users in February 21, 2006, there's a little statement in there on page 27 and it reads, 'Given the scarcity of port lands suitable for maritime use, it may be that the best long-term strategy is not diminish the available maritime land resource base, but to protect it and preserve it,' and that's what this bill does, Mr. Speaker."

Representative Meyer rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I'm going to be voting no on this measure. I think this just adds another layer of bureaucracy. I'm concerned about the broad powers being given to this commission without any real standards and criteria for identifying and designating both public and private important harbor lands.

"The bill suggests the commission will have the ability to identify and acquire private property the commission solely identifies as important harbor lands. The bill is silent on whether or not the acquisition will be by negotiation or eminent domain. If it was eminent domain, I don't think this commission will have the power to do that. So I think this bill needs a lot of work. Thank you, Mr. Speaker."

Representative Finnegan rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, please note my reservations based on some of conversation that we have had."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Moses rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2130, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HARBORS," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Meyer and Thielen voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 936-06) recommending that H.B. No. 2444, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2444, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. In opposition. This measure says the DOD and DOT, and I guess anybody else that gets federal funds, has to ask the Legislature's permission to spend any of that money and what they can spend it on. And I'm concerned as are they, that it may compromise the safety and security of our facilities, and more importantly the public.

"We must understand this is an anti-public safety measure. So limiting the ability of them to spend funds in a timely manner, it will restrict their expending of funds received by the Department of Transportation Port Security Grant. Port Security Grant. And the Department of Health grants from the Center for Disease Control. It's for avian flu. These Homeland Security grants do not pass through the DOD. The delay and limitation of federally mandated safety and security improvements for our transportation facilities.

"I urge the Committee to consider the sensitivity of the Hawaii Honolulu Security Implementation Strategy. The document is considered for official use only. It addresses our capability to respond to potential terrorist threat. The point is, there is no need that is within this to try to take care of our vulnerabilities. If we go to the Legislature and say we're going to spend this money on these vulnerabilities, it's released to the public because anything released to the Legislature is a public document. Therefore all the terrorist out there or anybody trying to cause us harm knows what our vulnerabilities are. I think that we have serious concerns about this measure. Thank you."

Representative Chong rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in strong support of this measure. This is not an anti-public safety measure. This is a transparency measure. First of all to clarify in the House Committee on Finance, when we asked the people from the Department of Defense, if a report can be provided that would give the Legislature the ability to take a look at expenditures and where they went without compromising public safety or security concerns.

"Secondly, nowhere in this measure does it require legislative concurrence on the expenditure. All it asks is if we can get a report of what you spent and what are you going to plan to spend. It doesn't say that the Legislature has to appropriate, it doesn't say that the Legislature has to once it gets the report say, yes, you can spend the money. So I don't think it will impact timing either. I think this is something to foster transparency in the Homeland Security area. Thank you."

Representative Ito rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in support. Mr. Speaker, this bill just requires the State to disclose a plan for Homeland Security. While it is important to ensure that Hawaii is safe from terrorists and threats of

harm, the public should have a general idea of what the priorities are and how their taxpayer dollars are being spent.

"For example, Mr. Speaker, Hawaii, as my good friend from Mililani, the Representative mentioned, that 98% of the shipment is dependent on food and other goods and containers being shipped into Honolulu Harbor and Neighbor Island harbors. Protection of this transportation hub would be critical for homeland security.

"Furthermore our hospitals and other industrial manufacturers use nuclear materials that could be used to build nuclear weapons. We need to know if our Homeland Security plan addresses the safeguards of such materials. We need to know what concerns are being addressed. Thank you."

Representative Stevens rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I rise in opposition. I believe this bill is unneeded because the Department of Defense already submits a biannual report to the Department of Homeland Security and the Legislature has access to this report. I believe that is what we should look at and not require additional reporting. Thank you."

Representative Ching rose in support of the measure with reservations, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. The proposed bill prohibits the State and counties from expending federal funds under the Homeland Security Grant Program unless the Department submits to the Legislature a detailed report on expenditures, funding strategies, target capabilities, and outcome.

"Allowing the public to know how their tax dollars contribute to homeland security may provide stronger satisfaction with our State, however we do not want to adversely impact our capability to respond to potential terrorist attacks.

"While this measure seeks to help by monitoring State and county expenditure of federal funds, we have to be careful that this bill does not inhibit our ability to spend these funds in a timely manner and that submitting agendas and plans to the Legislature concerning communications interoperability, radiological monitoring, intelligence gathering, transportation security, and infrastructure protection does not compromise public safety.

"Fiscal responsibility is a good thing, but not if it exposes our weaknesses, allowing terrorists to succeed. It is prudent to consider the sensitivity of the Hawaii Homeland Security Implementation Strategy."

Representative Moses rose to respond, stating:

"Thank you, Mr. Speaker, just remaining in opposition. When a report is released to the Legislature it is public it is a public documents. It must be released to the public as soon as anybody asks for it. There are things that we do for our homeland security that cannot be released because it becomes public to the terrorist also. Thank you."

Representative Finnegan rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I rise in opposition with comments. Thank you, I'm reading the bill right now and it basically says here that the State or county shall expend any ... Okay so it basically says that no State or county agency, commission, corporation, or department or any other authority of this State or county shall expend any federal funds, and then it says if you don't do this. And then it

basically says, 'a detailed report on past, present, and planned future expenditures.'

"I mean I'm not sure, but when I take a look at this and say if they have a problem with, I don't know, finding records or whatever it might be, and it says a detailed report on past expenditures. To me that means that they cannot spend federal funds. And if I am reading that correctly then I continue to be in opposition. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2444, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," passed Third Reading by a vote of 46 ayes to 5 noes, with Representatives Finnegan, Meyer, Moses, Stonebraker and Thielen voting no.

At 4:16 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2043, HD 2	H.B. No. 2212, HD 2
H.B. No. 2551, HD 2	H.B. No. 2130, HD 2
H.B. No. 2743, HD 2	H.B. No. 2444, HD 2
H.B. No. 1866, HD 1	

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 937-06) recommending that H.B. No. 2966, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2966, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 938-06) recommending that H.B. No. 2256, as amended in HD 1, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2256, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I stand with reservations. Good first step. I'm very concerned about identity theft, but this one is talking about phishing and spyware, and financial data that is used in the daily theft and financial fraud. It also helps to prevent the use of programs that will slow down the computer or render the computer inoperative. Good things. Interfere with those protection programs that cause a computer to become hijacked and will spam generating network.

"The problems that I see is, according to the Attorney General the terms 'concerned and authorized user' are unclear because these terms are used interchangeably even though there are definitions for each of them to make them distinct.

"Also there's confusing referrals to the new solution software and the copying of software interchangeably. Of course installing and copying software are two separate and distinct actions.

"The Attorney General has also has requested to meet with the author of the bill to work out the changes, but the changes have not yet been adopted.

"One last thing, according to the DCCA there are questions of practicality of implementing the bill's provisions given the fact that most spyware is written on a global network, and the criminal could be in India, China, or Bangladesh, or wherever and perhaps making enforcement the problem. Thank you."

Representative Sonson rose to speak in support of the measure, stating:

"Thank you very much, Mr. Speaker, in strong support. I would like to ask that this three-page speech be entered into the Journal. Yes. I like to respond to the prior previous speaker on at least one of the things that he said regarding the Attorney General.

"The Attorney General did meet with the originator of this bill, however because there was no time because of our deadlines, for the Attorney General to come up with an acceptable, I guess the acceptable language that would address their concern, they actually requested that we should go ahead and proceed with this bill and push it through.

"They like it, they want it. It's just that of course they want it perfected, and I agree with them that we should proceed that way. It has a July 1, 2020 defective date so we can work on it. Thank you."

Representative Sonson's written remarks are as follows:

"Mr. Speaker, I rise in strong support of Standing Committee Report 938-06, for House Bill No. 2256, Relating to Consumer Protection. This measure has come a long way in a short time towards creating a viable, working defense against cyber-threats such as viruses, 'Trojan horse' software, spyware, and other forms of malicious software infecting the computer systems of the State of Hawaii.

"Mr. Speaker, each and every single one of us standing on this floor took an oath. We swore before Almighty God Himself to support and defend the Constitution and laws of the United States of America and laws of the State of Hawaii, and that we would faithfully discharge our duties to the best of our abilities. We have an obligation to remember this oath in considering House Bill No. 2256, a bill which aims to protect our State against harm, even if it comes in the form of an electronic threat.

"I am captivated by the enormity of opportunity that history has handed us in giving us the ability to pass Hawaii's first ever anti-spyware law. It is on an occasion such as this that I am reminded of the words of the late President John F. Kennedy on his inaugural address who said, 'Let the word go forth from this time and place, to friend and foe alike, that the torch has been passed to a new generation of Americans – born in this century, tempered by war, disciplined by a hard and bitter peace, proud of our ancient heritage, and unwilling to witness or permit the slow undoing of those human rights to which this nation has always been committed, and to which we are committed today at home and around the world. Let every nation know, whether it wishes us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe, to assure the survival and the success of liberty.'

"House Bill No. 2256 is a bill whose spirit is worthy of comparison to such epic words as those. It is like unto a sentry standing guard at the gates of this State, boldly declaring to the world that we believe in protecting our citizens from all enemies, foreign and domestic, physical and digital. It is a reminder to all of us that in the Twenty-First Century, freedom means more than just guarding borders, or patrolling waterways, or even monitoring airspaces: it means keeping the Internet safe and the flow of our data protected.

"I have a son and a daughter. As Americans and more than that, as human beings, I hold these truths to be self-evident, that my son and daughter, as well as all men are created equal, that they are endowed by their Creator with certain inalienable rights, that among these are life, liberty, and the pursuit of happiness. I want them to grow up in a State where they are free from harm over the Internet. I want them to be able to pursue life, liberty, and the pursuit of happiness without fear, because that is what the greatest freedom of all is: the ability to be free from fear. And that, Mr. Speaker, is what House Bill No. 2256 is designed to do: free our people from fear.

"Some people might ask, 'Representative Sonson, why would you care about Internet threats? What's the purpose of making a law to protect us against viruses and such? Don't you know that hackers will always find a way to inflict harm, and that there will never be a clean Internet?'"

"I'll tell you why I introduced this bill. I introduced this bill because, quite simply Mr. Speaker, I care. I care, and I am unwilling to allow our people to be harmed and misused simply because other people say that there is no way to stop that harm and misuse from taking place. We need House Bill No. 2256 to be enacted into law. We need to codify the fact that the Internet is a dangerous place to be, and danger always demands defenses.

"I'd like to share with you the story of a certain Daniel Paul de Gracia II, who in fact urged me to create Internet legislation on behalf of the people of Hawaii. In 2003, Daniel had received an e-mail from someone he trusted, and more than that, someone he loved very dearly by the name of Terie Ashom. He had been waiting for her to e-mail him for a very long time, and so, it was only logical for him to hastily open an e-mail that appeared to come from her when it arrived in his e-mail inbox. As it turned out, a virus had only hours earlier infected Terie's computer, taking control of it to turn it into a factory for sending hundreds of fake e-mails to people stored on her address book without her knowledge or permission. That same virus infected Daniel's computer, and used his computer to infect dozens of others in the span of just a few minutes from opening Terie's e-mail.

"Stories like these add real meaning to why we must make laws to protect our State against threats over the Internet. House Bill No. 2256 is the first step in that direction. It is a law that if enacted, will lead to other laws, forming the fabric of a safety net against digital harm. I now say to each and every single one of my colleagues regarding Internet legislation what Daniel said to me: 'Don't scuttle the Pacific.'"

"House Bill No. 2256 has come a long way in a very short time. I hope that we will not allow our fears to dictate our future. The Senate companion of this bill SB 2869, was killed in Committee not because of a failure of democracy, but because of a failure of imagination. Fortunately, Mr. Speaker, this House has courageously brought House Bill 2256 one step closer to law. Let us hold the torch that has been passed to us, that bold, courageous, and new generation of Americans that we are, and let us place our hands to pass House Bill No. 2256.

"I urge my colleagues to support this measure and to vote in favor of House Bill No. 2256. We're going to do more than just write history by enacting this law; we're going to write the future.

"I thank you, Mr. Speaker, for this opportunity to speak in favor of such a worthy cause as this bill."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2256, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 939-06) recommending that H.B. No. 2606, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2606, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 940-06) recommending that H.B. No. 2863, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2863, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ESTABLISHMENT OF THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY INNOVATION CORPORATION," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 941-06) recommending that H.B. No. 3056, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3056, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Chong rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I rise in strong support. Thank you."

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

"Thank you, Mr. Speaker, I also rise in strong support, but with some concerns. Thank you, Mr. Speaker, we have another Attorney General's opinion that we still haven't gotten the language right on this, and by this I mean the bill that is Relating to Kawai Nui Marsh and will determine which entity is responsible for which provisions of the maintenance of the marsh, and which entity, the State or the City owns which segments.

"We still have a five-foot gap that isn't clarified, and we still have concern that this provisions that says the State is under no requirement to maintain the flood control program, has been removed.

"Mr. Speaker, this has been an ongoing difficult situation. We really want to move ahead with the marsh restoration projects. We need to recognize the City and County as the housekeeper. The City and County should be doing the maintenance of this facility. They're equipped to do that. They have the person power, they have the equipment. This State needs to do the other restoration project. The wildlife section, which is the State's purview.

"The bill still is not properly drafted. I've given the copy of the Attorney General's opinion to the introducer of the legislation and also to my colleague from Waimanalo/Lanikai because we all three are very interested in making sure this bill goes through, but that it goes through correctly. My hope is that the Senate side can correct it, and that a corrected version can come back which we can then adopt. Thank you.

"Excuse me, Mr. Speaker. I'm sorry, but may I request that the brief Attorney General's opinion be placed into the Journal. It's only double spaced, two pages."

The Chair responded, stating:

"Representative, I think you made reference to it so ..."

Representative Thielen: "No, I didn't give you the language and the concerns that are in this. If you want me to I'll read it now, but I would rather have it be in the Journal so people can see the exact wording.

At 4:22 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 4:24 o'clock p.m.

Representative Thielen rose to continue, stating:

"Thank you, Mr. Speaker. I just briefly will read a section of the memorandum from the Deputy Attorney General.

Although HD 2 retained the exclusion of the levee from the parcel of land to be transferred to the State, it did not correct the five-foot gap problem noted with HD 1. House Draft 1. HD 2 also amends the bill to include additional areas to be transferred that are described as "parcels owned by the City and County of Honolulu as part of the Oneawa Canal widening project." It is unclear from the draft which parcels are being referred to or where those parcels are located. HD 2 also removes the provision of Section 4, HD 1, that stated the State is under no requirement to maintain any flood control program relating to the Marsh.

"He concludes, 'In this regard, the draft is not free from doubt.'

"So, Mr. Speaker, there is work to be done and let's hope the Senate can do it. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3056, HD 2, entitled: "A BILL FOR AN ACT RELATING TO KAWAI NUI MARSH," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 942-06) recommending that H.B. No. 3053, as amended in HD 1, pass Third Reading.

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3053, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 943-06) recommending that H.B. No. 2175, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2175, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Thielen rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I appreciate the opportunity to speak in support of this bill, but to express major disappointment with it. A major disappointment. Thank you. I think 'major disappointment' is better than 'with reservations'.

"The bill is relating to energy and it was supposed to be really a very broad based, forward vision, energy plan for this State. It didn't end up that way. The bill has a couple of good things in it. It increases the renewable energy technology income tax credit for solar, thermal, wind power and photovoltaic energy systems. That's good. And it removes the tax credit sunset date and that's good. And then it authorizes a pilot project for schools. That's it. A pilot project to install photovoltaic systems at four schools. One on Oahu, one on the Big Island, one on Maui, one on Kauai.

"It promotes some green building practices, authorizes some general obligation bonds, and sets up a 'pay as you go' pilot project. This is supposed to be the Energy Self-Sufficiency Act of 2006.

"Now, Mr. Speaker, I would certainly think we could do better, and I certainly think we can be more visionary. I would certainly think that demonstration projects should not be used in lieu of meaningful reform.

"Mr. Speaker, you and the Members here know that we pay. Well first of all, we're the most oil dependent and energy vulnerable state in the nation. That we have the highest price of energy of all 50

states. We need integrated changes in this complex and interrelated energy field.

"Some of the things that are missing that would move us ahead, first and foremost is an energy cost adjustment clause. Mr. Speaker, I don't know if you know. When you look at your utility bill from Hawaiian Electric you see a fuel adjustment surcharge. It's about one third of your bill. Go look at your next utility bill. You will see you're getting zapped by Hawaiian Electric for the fuel adjustment surcharge.

"They don't care how much they pay for oil. They don't care how much they have to pay to bring it in here to provide the power for our islands because they put that surcharge directly through to you, and our consumers are paying one third, almost one third higher utility rates because of this surcharge.

"If we did something about this, and there was legislation that we had considered that did do it. We had it in our Energy and Environmental Protection Committee and it passed out. If we did something about that, and Hawaiian Electric could no longer pass through that fuel charge, Hawaiian Electric would be taking aggressive stances to bring forth renewable energy for the islands. If they had to suffer the price increase in fossil fuel, they would want to move away from fossil fuel.

"Mr. Speaker, I don't know if charts such as this one can be put into the Journal. You're shaking your head and you're saying no. In 1999, we barely paid anything to, why? In 1999 it was about standard. And then you can see the bars in this chart and how they're moving alarmingly upward to show you how much more that energy surcharge is because of the dependence on fossil fuel.

"No other state in the nation is using, like we are on this island, 93% of fossil fuel or coal to power the islands. No other state is doing that. They are just aghast at what we're allowing to happen here.

"You have to realize that one of the key things is Hawaiian Electric is a corporation with shareholders. It's in their best interest to provide the highest rate of return to the shareholders.

Representative Meyer rose to yield her time, and the Chair, "so ordered."

Representative Thielen continued, stating:

"Thank you so much. It's in Hawaiian Electric's best interest to provide, they must provide, the highest rate of return to their shareholders at the least risk. So what's the answer to them? They go ahead buy the fossil fuel, pass the charge on to you, you, you, everyone in this room and all of the consumers out there that are paying the highest utility rates in the nation.

"With this bill that we're considering before us, the bill in which I am so disappointed, doesn't do a thing to stop that. We don't have a provision in there saying that Hawaiian Electric is going to have to absorb that increased cost in fuel. If we had that, we would have meaningful progress in moving toward renewable energy projects here.

"We're also missing the Department of Business and Economic Development's inventory of State land and offshore areas for the citing of renewable energy projects. What would happen is they could develop subzones, they could streamline the permitting. We could get things on the move and get going.

"We're not being visionary with this bill. We're not being visionary at all. We're being pilot project like. Why are we moving to do that? Why are we not wanting to grab a hold of this and really move forward with a vision using our wind, using our ocean resources, using our solar. Why are we not doing that?

"It's also a difficulty that the general excise tax exemption for alcohol fuel blends will sunset shortly. It's not being extended in this provision, or in any provision that I'm aware of that's forward.

"Mr. Speaker, it's really sad to think that this is the best we can do and I think at the least, people will realize that if they try to go out and proclaim this as the Energy Self-Sufficiency Act of 2006, that they'll be laughed at because it's not. It's a big, big disappointment. Pilot project, but it's not getting us off that addiction to fossil fuel. Thank you."

Representative Morita rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, rise in support of this measure. I believe one of the best examples we as a state can set is an energy efficiency and conservation program for itself. Already this Body has seen emergency appropriations for the Department of Education in excess of \$5 million for additional electricity cost, to meet their additional electricity cost.

"So I believe the best thing that we can do as a Body is set an example for State buildings and agencies and that's what this bill does.

"The second point that I like to make is there are certain things we can do and set in policy, but there are certain issues where it's not appropriate to be debated in this Body or mandated by this Body. For example, the fuel adjustment charge.

"Right now the utility, HECO is going for rate increases before the PUC and in that case, it will account for the increase cost of fuel. I believe one of the reasons why we're seeing this pass-through, this high pass-through, in our utility bills is because it's been a long time since a rate increase was sought before the utilities, and rightfully before the PUC.

"Again I want to emphasize there are items that are properly debated at the Legislature regarding policies, and before the regulatory agency, the PUC. It was clear in the Committee on Energy and Environmental Protection that the Governor did not want to usurp the PUC's authority through mandates.

"This was in the discussion regarding the public benefit fund. She made it clear she did not want to usurp authority in that arena. But I think this is just one bill that we are moving through. There are various vehicles that are being debated before both Bodies, and we do have a strong emphasis on energy policy this Session. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2175, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading by a vote of 51 ayes.

At 4:37 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2966, HD 2	H.B. No. 3056, HD 2
H.B. No. 2256, HD 1	H.B. No. 3053, HD 1
H.B. No. 2606, HD 2	H.B. No. 2175, HD 2
H.B. No. 2863, HD 2	

LATE INTRODUCTION

The following late introduction was made to the members of the House:

Representative Luke introduced her husband Mr. Mike Luke, and their son Logan Luke, and asked the Members to wave to them.

THIRD READING

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 944-06) recommending that H.B. No. 2181, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2181, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Marumoto rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, in I rise in favor of this measure, but I have some reservations. I think the reservations have to do more or less with the size of the appropriation. It's a \$100 million, and it's a \$100 million for the next 5 years. After that it's a half percent of the I think, the general revenues.

"It's an amazing amount of money just for high tech, although that's a very noble enterprise and I do believe we should appropriate some money for that cause. \$100 million may appear more like tucking it away to evade the general fund spending ceiling, or tucking it away anyway so we cannot use it for other important needs.

"When we appropriate in the out years I wonder if it's appropriate because I don't think we could bind future Legislatures to specific appropriations. This particular body, the funds that we are creating will be attached to the Department of Budget and Finance. Traditionally we have had these high tech organizations or bodies attached to DBEDT, so this is a real departure. DBEDT is the department that has the expertise in high tech.

"I think \$100 million should be spent where our priorities lay, and I think those priorities are in education and affordable housing and health programs and tax credits for our residents, and other issues that we are all interested in like long-term care.

"I would ask you to please maybe think in terms of paring down the amount as this bill advances to the end of Session. Thank you."

Representative Finnegan rose in support of the measure with reservations, and asked that the remarks of Representative Marumoto be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Karamatsu rose to speak in support of the measure, stating:

"In support. Mr. Speaker, this is a Majority Package bill that will take Hawaii's technology, our life science, and our renewable energy industries to the next level. Basically you're putting \$100 million in this special fund to help with grants and also in investments.

"Right now Hawaii is in the beginning stages of developing these industries, and we don't have enough capital from the R&D, the research and development level to take it to the commercial level, which is the area we want to do so we can sell it to the world.

"Once we hit that level, we'll see more revenues being brought in to the State of Hawaii through sales, and also through those sales and also those businesses, you'll see more taxes coming into the State of Hawaii. So your ultimate goal is to create an industry to help also our existing industries, which are tourism, agricultural, military spending. When we hit that level, then you'll see new taxes being brought into the State of Hawaii. That's the ultimate goal. Thank you, Mr. Speaker."

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I just want to support this with reservations. I have similar concerns as the Representative from Waialae, and that's all."

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you support with reservations and I ask for the words of the Representative from Waialae be entered in the Journal as if my own.

"And just want to say we heard testimony in Finance that there's hundred of millions of dollars in venture capital out there, so the money is available. You might need some seed money here, but this is a lot of money. Thank you."

Representative Ching rose in support of the measure with reservations, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in support of H.B. 2181 – Relating to Economic Development. We are seeing a wealth of research activity emanating in Hawaii, from Waimea on Kauai to Kaka'ako on Oahu. Most of these companies need additional funding to continue in their pursuit in new technological areas and remain in Hawaii. This legislation will assist researchers and R&D companies advance their science and their chances for successful commercialization of that research. It's important to assist small technology businesses to establish themselves in our state.

"Creating the Hawaii Innovations Fund will yield tremendous benefits to the State. H.B. 2181 will accelerate the continuing expansion of the technology sector in Hawaii, thus recruiting developing tech companies and capitol from outside Hawaii, creating more meaningful jobs, and increasing non-tourism tax revenues."

Representative Halford rose to speak in support of the measure with reservations, stating:

"Thank you. With reservations. I'd like to say that the State has, as far I know has not ever shown any genius in these kind of fiscal ventures. Perhaps more partnership and direct funding would be better."

Representative Karamatsu rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Karamatsu's written remarks are as follows:

"I rise in support. This is a very historical bill that will enable Hawaii to have a diversified economy by supporting Hawaii-based businesses in the fields of technology, life sciences, and renewable energy. Currently, Hawaii is in the beginning stages of establishing a strong knowledge-based industry. Unlike other areas of the United States and world, Hawaii-based businesses in these fields lack the amount of capital investments needed to move them from product development to commercial success.

"This measure will play a huge role in solidifying a new economy in Hawaii based on technology, life sciences, and renewable energy by establishing \$100,000,000 Hawaii innovations partnership special fund for the fiscal year 2006-2007 to invest in these entrepreneurial ventures through grants and capital investments. Thereafter, from 2007 to 2011, there will be an annual appropriation of one-half of one percent of the general revenues of the State into this fund."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2181, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC

DEVELOPMENT," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 945-06) recommending that H.B. No. 3115, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 3115, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Meyer rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I'm rising in support with some reservations. I believe that our experiment with the gas cap has been a failure. DBEDT did a study and they had some of their partners come up with their best estimate. I think they found that from September when the gas cap started until January, consumers here in the State of Hawaii paid roughly \$54 million for gasoline than they would have without the cap.

"This bill does call for repealing the cap, but not until '08 and suspending it starting in July of '07. But I have some problems with this all these requirements, additional requirements now that we're putting on the petroleum industry. We're asking them for information that we've not asked any other industry for. We're singling them out. I question whether that is constitutional.

"This bill has \$2 million in it to pay for all this manager and extra people that we'll have to keep track of it. Like any business the petroleum business has proprietary information that they're not going to want to be made public. I don't know that we can keep it really confidential, so I think there are problems with this bill. I realize it's early in the process and I'm grateful that the bill does call for repeal. Thank you, Mr. Speaker."

Representative Harbin rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I'm once again going to be that lone voice that is voting no. First of all I really wonder if the oil industry is a business. I have some other concepts of what they are.

"I think if we take a look at some of the graphs and some of the studies that were done and just shown I think in the Senate. I really want to first of all send my thank you to the Senate Consumer Protection Chair. He really took some time to look into what I think is some real historic understanding of what is the oil industry versus being an oil business.

"First of all I find it really unbelievable that the PUC did not use their responsibility to do the right thing for the people of Hawaii in setting the caps. We gave them the opportunity to do a job. They didn't do the job, and now we are folding under the pressure of their I think, incorrect implementation of the gas cap.

"I was quite proud to be a part of this Body that was so brave to be the first in the nation to pass a gas cap. It stumbled. They stumbled. We have stumbled, but we don't kill it. We fix it. How proud I was to have our Majority Leader standing up there when I first came into office, taking hits left and right because of the gas cap, but he took it. I think we need to continue to take it and we need to fix it.

"One of the things this gas cap did not do is to regulate and give oversight to diesel. If we were to stop and take a look at what's happening to diesel in Hawaii and the impact it's having on businesses right now in delivering foods and goods to our people, in delivering construction to the sites. Diesel has gone up higher than gas. We have the highest diesel prices in the nation. We are being raped. We need to stop this. We need to step back and do something with the gas cap, and maybe set the cap lower.

"We gave them the benefit of the doubt. They took it, they ran with it and they said, 'Ha ha to you in Hawaii.' We're going to make an example of you in the world and in the United States. Let us not do that. Let's not fade. Let's show them that we can do it. To protect our people and our future. Please don't just gut, cut and paste what's coming over here from the Senate. Let's take a look at it.

"I've been there. I've done that. I was the President of the Gas Dealer's Association for four years. I saw this confidential data. We are being given a bill of goods. Let's not do it. No."

Representative Marumoto rose to speak in support of the measure, stating:

"Mr. Speaker, in strong support. Just to respond to the previous speaker. I think comparing diesel to gasoline is like comparing apples to oranges. I will ask that my remarks be inserted into the Journal," and the Chair "so ordered."

Representative Marumoto's written remarks are as follows:

"Mr. Speaker, I rise in favor of HB 3115, HD2, Standing Committee Report Number 945. This bill establishes a system for monitoring, analyzing, and reporting on the petroleum industry. More importantly, it suspends the gas cap as of the effective date of the Act and repeals the gas cap effective July 1, 2008. I have consistently opposed the gas cap and voted to delay implementation in 2004. I feel the gas cap has instituted a burden on Hawaii's citizens by driving up the price of gas even higher than it would have been without the cap law. We must repeal the gas cap as soon as possible. Monitoring the petroleum industry and instituting transparency is a better answer to our gas price problem."

Representative Moses rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in strong support with some comments. Now there are several parts to the bill. One of the parts of course you heard is actually the repeal of the gas cap, but it doesn't happen for a while. In the meantime it suspends it, which is good. And I always voted against the gas cap so I will vote for this suspension and repeal.

"But there's another part that transfers the petroleum industry information reporting data functions to the PUC and that will disrupt the progress that DBEDT has made just 8 months after we told them to do it. So it's kind of backtracking. So I'm concerned about all those things lumped into one bill. Thank you."

Representative Sonson rose in support of the measure and asked that the remarks of Representative Harbin be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

Representative Morita rose to speak in support of the measure, stating:

"Mr. Speaker, in support. I just wanted to point out that the success of the gas cap was dependent on the implementation of the gas cap, and at this time especially with the Administration there's no political will to make it work. Thank you."

Representative Souki rose to speak in support of the measure, stating:

"Yes, Mr. Speaker, I wish to speak very strongly in favor of this bill. First of all I think it has been proven along the way, very noted consultants, those that we have hired in the past. The Stillwater Associates spoke against it. Said it wasn't going to work.

"Most recently we had in the *Star-Bulletin* an expose again, saying there has been a loss of approximately \$50 million, that's it not working. The price of oil is based on a global and not regional data. Right now the price of oil is about \$62 a barrel. It doesn't matter

whether it's in Singapore, or it's in New Orleans, or it is in California. It's \$62 a barrel.

"Oil prices can be triggered by anything. By the market, by crisis. All these factors enter in. By having a cap it has no affect at all on this global oil prices.

"So, Mr. Speaker, I would prefer a complete repeal of it, but this bill provides for a suspension only. It provides for a transparency period and to work with the oil refinery. If the oil refineries are not cooperative and we cannot get the immediate information, the gas cap will still be alive, and then that time maybe if we wish, or I would hope we just repeal it. But we can then resurrect it and make the appropriate changes. But I am very sure that the State of Hawaii will find that during the suspension period, we will be saving on the price of gas and not be paying more. Thank you very much.

"I wish to thank the House Leadership for having the courage to make the change. I know it was very difficult, especially the Majority Leader who was in the forefront speaking for the House for the gas cap. He has the fortitude and the guts now to say, 'Let's try something else. Let's try a repeal.' Mr. Speaker, for someone who has the guts like that, I have plenty of aloha for them. So Members, thank you very much. I hope that you all support this bill."

Representative Finnegan rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in support. I would like to adopt the words of the Speaker Emeritus, as well as just say that in my opinion, I do not think it is the implementation of the law, but the law itself."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3115, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE PETROLEUM INDUSTRY," passed Third Reading by a vote of 49 ayes to 1 no, with Representative Harbin voting no, and Representative Arakaki being excused.

At 4:52 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 5:03 o'clock p.m. with the Speaker presiding.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 946-06) recommending that H.B. No. 2555, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2555, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Stevens rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, I rise in strong support of this measure. Mr. Speaker, on behalf of many resident of Kakaako, I would just like to express my gratitude to the Chairs of the Water, Land, and Ocean Resources and Finance Committees for hearing this measure that's very important to the people of Kakaako. I would like to ask colleagues for their support. Thank you."

Representative Harbin rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in very strong support of this measure along with my neighbor Representative. The people of Kakaako, the grassroots, have worked very, very hard to bring this issue to the forefront at the Legislature. For a while there we thought we were going to get beaten by the timeline, but once again, what is right has prevailed. Thank you."

Representative Marumoto rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. Excuse me, is this the Kakaako Bill? I think that for years, 30 years now the HCDA has been buying and selling lands. In support, yes, with reservations. They have been even condemning lands, realigning streets, selling property, parcels, working with easements, and I think that they should continue to be allowed to deal with property on the *mauka* side of Nimitz Highway.

"This bill really restricts their activity and cramps their style, so I would hope that we would give them a little more flexibility to do what is necessary to redevelop Kakaako. Thank you very much."

Representative Souki rose to speak in support of the measure with reservations, stating:

"Yes, Mr. Speaker, I wish to speak for the bill with some reservations. One reservation I have on the bill is the prohibition of the selling of the land, fee simple. I believe that decision should be made with HCDA and not be made by law. HCDA should have the flexibility to determine whether they would want to sell the land by fee or by leasehold. Who knows what's going to be happening in the future and how this is going to be working out. I think it's too limiting for us to impose this on HCDA and put it into law. Thank you very much."

Representative Moses rose in support of the measure with reservations, and asked that the remarks of Representative Souki be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

Representative Thielen rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I too would like to support it with the same reservations as Speaker Emeritus had, and Mr. Speaker, if I may just add a word or two. There was a project that HCDA was moving ahead with and that involved the sale of a little remnant piece of land. A little roadway of some sort. I don't have the exact details before me, but it involved the Whole Foods project. Whole Foods is the incredibly wonderful market that is so sought after by states throughout the nation. They have fresh fruits, produce that they buy locally which means that our farmers would have an automatic outlet for the produce that they develop or that they grow.

"It's a wonderful operation and it's one that I'm afraid by passing this bill we may prevent HCDA from moving ahead with that. That's why sometimes with the best of intentions we can overkill. I would hate to stop the Whole Foods project from being able to come here. I think that our consumers would not be very happy with this, at least those that have had an opportunity to hear about that wonderful market, and would want that to be here in Kakaako.

"The bill has a ways to go and if there is a way to work with HCDA to make sure that the language gives them the leeway to move ahead with that project, I would feel much more comfortable. Thank you."

Representative Kahikina rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in strong support. Thank you, Mr. Speaker, as we all know this is an attempt to try to address our housing and homeless crisis. Mr. Speaker, I'm very glad to hear the discussion on the Floor today and all the reservations that have been expressed. I just wanted to say that this Body should make the decision on all of the assets. And may I remind our Representatives in this House that we are limited in land. We're an island economy, and to hold the affordability of housing, and housing for our workforce, we're looking at not selling our State lands. I hope that

you would at least be open minded to preserving the affordability and the housing stock as we go forward in negotiating this bill."

Representative Meyer rose in support of the measure with reservations, and asked that the remarks of Representative Souki be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Nishimoto rose in support of the measure with reservations, and asked that the remarks of Representative Souki be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

Representative Finnegan rose in support of the measure with reservations, and asked that the remarks of Representative Souki be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Pine rose in support of the measure with reservations, and asked that the remarks of Representative Souki be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Ching rose in support of the measure with reservations, and asked that the remarks of Representative Thielen be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2555, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 947-06) recommending that H.B. No. 1368, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1368, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Kanoho rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker, in strong support. Mr. Speaker, this measure, I support strongly because it remedies a grave and very unfortunate situation. On July 9, 2003 the Third Circuit Court on the Big Island invalidated all approvals previously granted by the County of Hawaii to 1250 Oceanside Partners for its 700 plus lot residential resort, Hokuli'a Development at Hokukano, South Kona, Hawaii.

"The basis for the court's decision to halt all construction activity was that this project located on sloping, marginal agriculturally zoned lands should have been reclassified to urban. I have always and continue to agree that these lands should have been reclassified because I've always opposed nonagricultural uses on agriculturally classified lands.

"Yes, Hokuli'a land should have been reclassified not to urban, but to rural because in my opinion it does not have the urban density component. Mr. Speaker and Members, please consider these facts however.

"First, there are at least 123 residential subdivisions on agriculturally classified lands, which have been similarly approved as the Hokuli'a development. 31 of these have gone into existence after Hokuli'a was approved. Right or wrong, Hokuli'a is not an exception but represents the rule.

"The approval of residential subdivisions on ag lands has always been the accepted practice throughout the State of Hawaii including

21 subdivisions on the Big Island, 3 after Hokuli'a; 54 on Kauai, 7 after Hokulia; 43 on Maui, 19 after Hokuli'a; and 5 on Oahu, 2 after Hokuli'a.

"Most if not all should have been reclassified, but were not. The fact is that we, both the counties and the State have allowed and permitted widespread residential nonagricultural development on agriculturally classified lands. In the face of clearly established precedent, how can anyone rule that Hokuli'a, but 1 of 123, is illegal?"

"Hokuli'a was subjected to an intense five-year approval process from 1993 to 1998 requiring 32 public hearings. There was very little opposition, but the primary concern only towards the size of the development. The project was accordingly downsized from approximately 1,500 lots to slightly over 700.

"It is in September 2000, nearly two and a half years following its approval that runoff, following unearthing activity and heavy rains severely polluted the ocean at Hokuli'a. A couple of inadvertent disturbances of burial sites and incorrect boundary delineation of a sacred pool or hill by DLNR. Anger and challenges began to mount.

"It was only then that the land reclassification issue legally surfaced, apparently as a hammer with which to halt the project. Despite approvals received and that millions of dollars had already been expended. Incidentally the suit relative to the burial disturbances was dismissed by the same judge.

"Here's some other facts to ponder about."

Representative Yamane rose to yield his time, and the Chair, "so ordered."

Representative Kanoho continued, stating:

"Thank you, Representative. During the five-year period from project approval in April 1998 to September 2003 when the project was halted, over \$300 million has been reportedly expended including the completion of an 18-hole golf course and clubhouse. Ground preparation and roadways were a significant part of these 700 plus lots ranging from one to three acres.

"As part of its April 1998 development agreement with Hawaii Country which permitted construction to commence, Hokuli'a almost finished the five mile, \$55 million highway between the development and Keauhou. A 140-acre public beach park with access and parking valued at substantial amount and cost was also completed as part of the development agreement community benefits package. As was future employee housing and additional acreage for a Kona Senior Park.

"At the time that the project was halted 190 lots were sold in the \$650,000 to \$2.5 million range with at least one home under construction.

"In view of past precedent that we in fact both the County of Hawaii and the State of Hawaii allowed this project to proceed prompting the developer to expend hundreds of millions of dollars in the five year period, because of that it's appropriate that we pass this bill.

"This bill is a must also to address the liability to the County, and primarily to the State because the County of Hawaii has no money, and State is the deep pocket entity, because of the impending suits by the lot owners.

"Having said all that, it is without question that this bill has served the purpose of propelling all the parties involved the 10 opponents, 5 plaintiffs, and 5 defendants into action to settle this case. So much so that a motion was filed with the Supreme Court I believe this past Friday for a motion to remand the case back to the Circuit Court, and for a stay of proceedings.

"The motion also calls for vacating the final judgment, the previously rendered, dismissing the plaintiffs claim, dissolving the induction of the judgment which had been rendered, and to enter a fourth amended final judgment. The remanding of the case is necessary because it's been on appeal to the Supreme Court and the parties have appeared obviously before the Third Circuit to settle this case, but they cannot do so until the Supreme Court acts that motion.

"So having said that, why do we need this bill? We need this bill for two reasons. To provide the incentive for the parties to continue in towards a settlement, and secondly it only addresses what had been done. We need to move forward because this bill really provides for legalizing nonconforming dwellings on agricultural lots, but at least this bill has served a good purpose in arriving with what we feel is a certain settlement. Otherwise the parties involved jointly filing this motion before the Supreme Court would not have done so. So it looks like we'll have a good ending after all, but for all the reason cited, this bill is a very appropriate action to take. Thank you, Mr. Speaker."

The Chair then stated:

"Members, any further discussion. For those Members who have submitted their comments on Second Reading, the Chair will allow you at this point in time. If you are with reservations or in opposition. Is there anyone else who would like to submit written comments into the Journal?"

Representative Shimabukuro rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Shimabukuro's written remarks are as follows:

"In opposition. As was stated by the Water Land Chair, all plaintiffs in the Hokulia lawsuit have agreed on a proposed settlement of this case. Therefore, this bill is unnecessary.

"It is not prudent to pass such sweeping legislation that would impact all existing agricultural subdivisions and prior land use law abuses.

"Illegally authorized subdivisions in the agricultural district should be placed in the rural district only on a case-by-case basis.

"The rural lands study and the important agricultural lands (IAL) process that we put in place last year should precede any attempt at grandfathering.

"A blanket grandfathering of agricultural subdivisions based on soil classification risks sweeping existing genuine farming areas into a residential category, circumventing the IAL process established last year.

"HB 1368, HD 2, not only grandfathers existing housing, but allows new housing if the lots are already in existence. This could literally change the landscape for tens of thousands of acres throughout Hawaii.

"Finally, grandfathering in existing illegal uses inappropriately rewards the counties and developers for violating the law, sending the wrong message to future developers and slighting those developers who played by the rules."

Representative Karamatsu rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Karamatsu's written remarks are as follows:

"I rise in support. Agricultural lands of all types were lumped together, ranging from prime agricultural land to land not suitable for agriculture. By 1976, the State classified agricultural land by soil

types: A, B, C, D, E, and U. According to the Land Study Bureau, Class A lands are generally the best-suited and most productive for intensive agricultural use. Class B lands include areas that are, in general, definitely suited for intensive agricultural use. They are inferior to Class A lands for one or more reasons that may include crop productivity, less favorable rainfall or other climatic characteristics, steeper slopes, stonier, thinner, and more erosive soils. Class C lands of this classification have, in general, only fair to marginal suitability for production of intensive crops. They are inferior to Class B lands for essentially the same reasons as Class B lands are inferior to Class A areas. In spite of these limitations, some Class C tracts have been used for production of intensive crops. Class D and E lands are generally unsuited for intensive agriculture for one or more reasons that include infertility, stoniness, excessive or deficient rainfall, unfavorable temperatures, excessive cloudiness, erosiveness, and excessive slope. Finally, Class U lands are near-raw lands that are highly variable and among these areas are lava areas. These lands are stony with limited soil material, and erratic and choppy that discourages cultivation.

"The State identified agricultural land with A and B soils as prime agricultural land, thus identifying the land that Chapter 205 of the Hawaii Revised Statutes (HRS) intended to protect. For these lands, the State implemented restrictions contained in HRS §205-4.5(a), including that dwellings must qualify as "farm dwellings." In contrast, regarding C, D, E, and U agricultural lands or marginal agricultural lands, the State did not impose the same restrictions and allowed uses set forth in HRS §205-2(d). This section allows agricultural service and uses that support agricultural activities of the fee or leasehold owner of the property and accessory to agricultural activities, whether or not conducted on the same premises as the agricultural activities to which they are accessory, including but not limited to farm dwelling. Therefore, living dwellings are permissible and agricultural service and uses need only be accessory to agricultural activities. Further, the State gave the counties discretion to further define accessory agricultural uses on one-acre lots and to allow lot sizes of less than one acre if the counties find unreasonable economic hardship to the owner or lessee of the land that cannot otherwise be prevented or where land utilization is improved. As a result, counties have permitted the development of living dwellings on C, D, E, and U agricultural lands throughout the State.

"The controversy in legal interpretation is occurring today because the Land Use Commission placed uses permitted on A and B agricultural lands to C, D, E, and U agricultural lands. These rules conflicted with the statutes on what uses are permissible on A and B agricultural lands in comparison to uses permissible on C, D, E, and U agricultural lands.

"Currently, there is a case in the courts that could place thousands of single-family dwelling homes on C, D, E, and U agricultural lands in jeopardy and cost the counties millions of dollars should there be an unfavorable ruling. As a result, House Bill 1368 House Draft 1 intends to remove this legal cloud by permitting single-family dwellings on C, D, E, and U agricultural lands provided that not more than ten percent of the project area consists of soil classified as A or B. In the meantime, we must work on improvements to the statutes on agricultural lands to make it more clearly defined to avoid any future misinterpretation."

Representative Morita rose to speak in opposition to the measure, stating:

"In opposition. I would like to adopt the statements I made on Second Reading," and the Chair "so ordered." (By reference only.)

Representative Berg rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Berg's written remarks are as follows:

"Mr. Speaker, I stand in opposition to HB 1368, HD1.

"At a time when we face many long-term challenges – assuring the educational futures of our children, growing our economy to maintain our prosperity, providing housing, health care, and other most basic needs of all our people, and developing new approaches to sustainability – I regret that we are forced to focus our attention today on the past illegal actions a developer speculating that 1,500 acres of agricultural soil can be turned into a hugely profitable tropical fantasy to be marketed to mainland millionaires who already own multiple homes in other parts of the world.

"In my view, Mr. Speaker, this bill should not be before us today. This bill would retroactively authorize a development that has violated existing State laws established to preserve agricultural lands at a time when agricultural lifestyles and traditions are under sustained assault by relentless real estate speculation and development.

"This bill is special interest legislation.

"Some say this bill is not about Hokulia, but about the thousands of other residences also approved, perhaps under questionable circumstances, in agricultural districts. But the fact is that no one has challenged those other subdivisions and the opportunity for timely challenges is long since past. It is simply a scare tactic for development proponents to say that all other subdivisions on agricultural land are necessarily at risk.

"Others say it is not about Hokulia, but about traffic and the Mamalahoa bypass highway promised by the developers. While I certainly sympathize with the frustration caused by the pressures of past developments, it is ultimately unwise to allow statewide policies on such important matters to be shaped by the unusual circumstances of a situation like Hokulia.

Finally, there is no reason for the unusual haste with which this HD1 is being pushed forward. The Hokulia case is on appeal to the Hawaii Supreme Court, and the court's pending decision will tell us whether there are in fact legal ambiguities that need to be eliminated through further legislation. We should let the legal process take its course. Once the Supreme Court has ruled there will be ample time to address any outstanding issues with the care and thoroughness the public deserves.

"For these reasons, Mr. Speaker, please record my vote in strong opposition to HB 1368, HD1."

Representative Luke rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative M. Oshiro rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative M. Oshiro requested that his written remarks submitted on February 17, 2006 for Standing Committee Report No. 630-06 and H.B. No. 1368, HD 1, on Second Reading be inserted by reference for Third Reading.

Representative B. Oshiro rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I would like to ask for a ruling on a potential conflict of interest, similar to what I raised on Second Reading. I work for a law firm that is involved ongoing litigation with the Hokulia," and the Chair ruled, "you are excused."

Representative Caldwell rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, a potential conflict also. The law firm of which I am a partner represents the County in this lawsuit that's driving this settlement," and the Chair ruled, "you are excused."

Representative Lee rose in support of the measure with reservations, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise with reservations.

"HB 1368 HD2 allows agricultural areas to be converted to non-agricultural uses. I am voting with reservations at this time because it is not clear to me that the bill before us is in the best public interest, yet the testimony shows much support for the bill. The newspapers have reported that a settlement is close and that this legislation has forced the issue. The bill should go forward for discussion; however, I would like to quote a statement from the late Speaker Richard Kawakami:

"Today, we have agricultural subdivisions within agricultural districts, which can only be viewed as subterfuge of the spirit and intent of our land-use laws ... In practice, these agricultural subdivisions are not only circumventing county zoning provisions but are being offered at prices very few can afford and becoming, in fact, agricultural estates."

Representative Thielen rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I'm still opposed to this bill and Mr. Speaker, a couple of new things that I would like to state. New concerns.

"The bill that's before us today would legalize the construction of single-family dwellings on lots that exist on the effective date of this Act. That's really broad, Mr. Speaker. I mean, this is in addition to the Hokuia land fix. But the it would mean that if the lots were already in existence, then they could be used for residential purposes rather than agricultural purposes.

"I thought that this was something that we wanted the counties to look at, and the counties to look at rural classification, and whether certain lots should remain rural rather than residential. Or whether certain lots should remain in the agricultural district. This bill really takes away that ability because it's a grand slam and it just automatically says, 'You guys are all residential now even if the lot has been developed.'

"You know how I feel about giving the Hokuia the go ahead. I think the developers were scofflaws, and I think that the developers should have to go through the court process to conclude that. I don't believe that we should fix the situation for them.

"It's such a message, Mr. Speaker, to developers that don't abide by our land use law. It's just, 'Hey, if you go persevere and then you run to the Capitol and say, 'C'mon and help us.' Then you can go ahead and violate the law and the Legislature will bail you out. I think the bill deserves to be defeated."

Representative Ching rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Mr. Speaker, I rise in opposition to H.B. 1368 -- Relating to Land Use.

"It appears that Oceanside ignored letters regarding Hokuia's project consistency with HRS Chapter 205, as well as advice from their own attorneys. The State Department of Agriculture, the Office of State Planning, and the Land Use Commission sent letters raising concerns over Hokuia's project consistency with HRS 205. Oceanside had express notice in 1994 that its proposed development

did not comply with governing State land use laws, which preempted any apparent county authority for residential residences on agricultural land. There were also objections pointing to the fact that the bill was not referred to or heard by the Committee on Agriculture.

"The premise of H.B. 1368 appears to be flawed and the process improper. Additionally, the measure sends the wrong message."

Representative Hale rose in opposition to the measure and asked that the remarks of Representative Thielen be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Stevens rose in opposition to the measure and asked that the remarks of Representative Thielen be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Harbin rose to speak in support of the measure, stating:

"In support, Mr. Speaker, with my comments from Second Reading."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1368, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," passed Third Reading by a vote of 32 ayes to 16 noes, with Representatives Berg, Carroll, Ching, Hale, Kahikina, Morita, Nishimoto, Pine, Schatz, Shimabukuro, Stevens, Stonebraker, Takumi, Thielen, Wakai and Waters voting no, and Representatives Arakaki, Caldwell and B. Oshiro being excused.

At 5:24 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2181, HD 2	H.B. No. 2555, HD 2
H.B. No. 3115, HD 2	H.B. No. 1368, HD 2

THIRD READING

H.B. No. 1935, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 1935, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PLANNED COMMUNITY ASSOCIATIONS," passed Third Reading by a vote of 50 ayes, with Representatives Arakaki and being excused.

H.B. No. 1796, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 1796, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NOTICE," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

H.B. No. 3194, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 3194, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE COMMISSION FOR NATIONAL AND COMMUNITY SERVICE," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

H.B. No. 1930, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 1930, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FISHING," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

H.B. No. 2098, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2098, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DEVELOPMENTAL DISABILITIES," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

H.B. No. 2457, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2457, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE PLAN," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

H.B. No. 1977, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 1977, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STRUCTURED SETTLEMENTS," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

At 5:25 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 1935, HD 1	H.B. No. 2098, HD 1
H.B. No. 1796, HD 1	H.B. No. 2457, HD 1
H.B. No. 3194, HD 1	H.B. No. 1977, HD 1
H.B. No. 1930, HD 1	

H.B. No. 1995, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 1995, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENDANGERING THE WELFARE OF A MINOR," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

H.B. Nos. 2250, HD 1; and 2895, HD 1:

Representative M. Oshiro moved that H.B. Nos. 2250, HD 1; and 2895, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Evans rose to speak in support of both measures, stating:

"Mr. Speaker. I rise in support of this and my comments that I'm going to give are on 648-06, as well as 645-06 because both of these have to do with sex crimes and statutes of limitations. One is for a criminal offense and the other is for civil action.

"I am actually very pleased that this is before the Body because it's basically changing the statutes of limitations I believe, from 6 years to 10 years. What I'd like to comment on is I don't think 10 years is enough, and I hope when it goes to the Senate that they understand that when people are sexually abused, that sometimes it takes years for them to get over the shame and the fear of what has happened to them. The ability to actually speak up and to deal with what happened to them. I'm really hoping that we change the 10 years and expand that out. That's my hope. Thank you."

Representative Lee rose in support of both measures and asked that the remarks of Representative Evans be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and H.B. No. 2250, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TIME LIMITATIONS," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused; and

H.B. No. 2895, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LIMITATION OF ACTIONS," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

H.B. No. 2410, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2410, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

H.B. No. 2780, HD 1:

Representative M. Oshiro moved that H.B. No. 2780, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan rose in support of the measure with reservations, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Finnegan's written remarks are as follows:

"This bill allows a person sentenced for a first-time drug offense prior to 7/1/04, who has a satisfactory record of drug treatment and abstinence and a record free of any criminal conviction to apply for re-sentencing and expungement of related records.

"There are first time drug offenders, who are multi-time criminals. In the commission of a crime they would just keep drugs in their pocket while committing an offense to get a chance to get records expunged."

Representative Moses rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, on 647. Thank you, Mr. Speaker. I rise in opposition. I'm just concerned. This is expungement for first time drug offenses. We're having such a drug problem in the State and we're trying to crack down and be hard on drugs, and then we're going to expunge their first time drug offenses. I don't know. It just doesn't sit quite right. Thank you."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and H.B. No. 2780, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DISPOSITION OF CONVICTED DEFENDANTS," passed Third Reading by a vote of 47 ayes to 3 noes, with Representatives Meyer, Moses and Thielen voting no, and Representative Arakaki being excused.

H.B. No. 2899, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2899, HD 1, entitled: "A BILL FOR AN ACT RELATING TO JUDGMENT LIENS," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

At 5:29 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 1995, HD 1	H.B. No. 2780, HD 1
H.B. No. 2250, HD 1	H.B. No. 2895, HD 1
H.B. No. 2410, HD 1	H.B. No. 2899, HD 1

H.B. No. 3250, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 3250, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SUPERSEDEAS BONDS," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

H.B. No. 386, HD 1:

Representative M. Oshiro moved that H.B. No. 386, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Thielen rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I'm rising to speak against House Bill 386. It's the jury duty exemptions bill. Thank you. Mr. Speaker, if you take a look at this, you realize that the bill just frankly doesn't make sense.

"Sorry, I give due apologies to those who drafted the bill and sponsored it, but the exemptions are so narrow it would mean that people that are orthopedic surgeons, cancer surgeons, others that are in critical professions would have to go through the process of trying to get their jury duty service waived, and that takes them away from their primary profession which is life threatening and critical. So I would really prefer that we that we really just hold ... Well, it's going to be passed out. It'll go over to this Senate, but I would hope the Senate would have more wisdom than we did and not hear the bill."

Representative Sonson rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Hale rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I have very serious reservations for Standing Committee Report 651. Because I would just like to say that I really do not agree that just because somebody is 70, they should be excused."

Representative Karamatsu rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Ching rose in support of the measure with reservations, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in opposition to H.B. 0386 – Relating to Jury Duty Exemptions. This measure repeals jury service exemptions for certain professionals, while adding jury exemptions for emergency medical services, fire, and police personnel.

"There are public policy considerations behind the current list of exemptions which, it should be noted, do not require the exclusion of a listed person but merely provide persons in those positions the option of claiming an exemption. For example, the patients of doctors and dentists who have appointments for treatment would be greatly inconvenienced if their doctor or dentist was suddenly unavailable. There could even be critical care issues involving surgeons, emergency room doctors, specialists, etc. Ministers and priests have traditionally been recognized as persons who should be given the option of claiming an exemption as an integral part of their calling is not to sit in judgment of others. Obviously, there are issues with putting lawyers and judges on juries due to the very real danger that lay jurors would be overly influenced by the opinions of such persons, especially as it relates to interpretation of law.

"Finally, it seems particularly inappropriate to delete active duty military personnel exemptions at a time when our military personnel are engaged in armed conflict in more than one area of the world."

Representative Souki rose to speak in support of the measure with reservations, stating:

"Yes, Mr. Speaker. I have strong, strong reservations."

Representative Stevens rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Berg rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and H.B. No. 386, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COURTS," passed Third Reading by a vote of 44 ayes to 6 noes, with Representatives Ching, Finnegan, Meyer, Moses, Sonson and Thielen voting no, and Representative Arakaki being excused.

H.B. No. 1233, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 1233, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL RIGHTS," passed Third Reading by a vote of 47 ayes to 3 noes, with Representatives Meyer, Moses and Stonebraker voting no, and Representative Arakaki being excused.

H.B. No. 2208, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2208, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COUNTIES," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

H.B. No. 2233, HD 1:

Representative M. Oshiro moved that H.B. No. 2233, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Karamatsu rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and H.B. No. 2233, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDEMNATION," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

H.B. No. 2404, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2404, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC MEETINGS," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

At 5:33 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 3250, HD 1	H.B. No. 2208, HD 1
H.B. No. 386, HD 1	H.B. No. 2233, HD 1
H.B. No. 1233, HD 1	H.B. No. 2404, HD 1

H.B. No. 2859, HD 1:

Representative M. Oshiro moved that H.B. No. 2859, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Halford rose to speak in opposition to the measure, stating:

"Mr. Speaker, on 656 I think I'm with reservations, or no. I'm not clear what the attractive nuisances might be that would draw an animal from one side of the fence to another. And I think this bill would be highly improved if it was specified exactly what would cause the animal to go over, and if I knew that then I might be for it. So I think for the moment I'm going to go no. Unless I hear otherwise in the next two minutes."

Representative Sonson rose to speak in opposition to the measure, stating:

"On 656. Mr. Speaker, this is the 'laughing cow' bill because fences and breaks and etc. You know this is actually being discussed at the UH. I'm in opposition. The bill actually says that if you have the legal use of your land and you happen to use it in such a way. For example, you hang your red dress on your fence or in your yard somewhere, and a cow on the other side, in this case maybe a big bull, happens to see it and runs across the fence. At this point you created a nuisance which created a damage to that fence because you did something that you could lawfully do on your own property, which created I guess a response from the cows and it came over."

"It could also be you planting alfalfa because you like the fresh alfalfa for your salad or something, and they see it. Can you eat alfalfa? I don't know. But the cow sees it and then goes over the fence and again, if damage occurs, according to this bill, you'll be responsible for that."

"It doesn't even state whether or not if you were there first before the ranchers came. It does not say anything other than to say that if you have a structure, a use or a condition on your own land and you knowingly creates or perpetuates or attracts animals. I don't know. I know that red makes bulls run, but does that mean that if I hang it there and the bull comes across and breaks the fence. I really don't know, Mr. Speaker."

"This is something to protect the, I guess the ranchers. I think it needs some work and I hope that the Senate would do something about this, just to clarify for those homeowners who are legally living in thousands of agricultural lots out there, especially the outer islands. Thank you."

Representative Caldwell rose to speak in support of the measure, stating:

"Brief comments in support, Mr. Speaker. This is not a laughing matter. This bill is designed to assist the ranchers on our Neighbor Islands. They're struggling every day to make ends meet. It's a difficult tough business where the profit margin is minimal, at best."

"What we're talking about are the many subdivisions that you see springing up on the Neighbor Islands in areas that are rural, agricultural, and also conservations, where you have ranching."

"A good example is Waikoloa. It's surrounded by ranch land, and what's happening is these fences are being knocked down because of things that are happening around the ranch land by homeowners who are not practicing proper fence management. And it's to try assist our ranchers in our State to make sure that they are able to survive and continue to provide the benefit we all enjoy. That's what this bill is about, Mr. Speaker. Thank you."

Representative Meyer rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I'm rising in opposition. I mean, I'm cleared that it was introduced for a good reason, but it's just the way that it reads, it's just open to arbitrary arguments and making claims, making adjoining landowners liable for damage to animals and

fences, if the landowner maintains a structure, use or condition that attracts animals, and causes them to break a lawful fence."

"Who knows what this attractive situation is? You know a bull will jump over big walls to get to cows when they're you know, at the proper time of the year. Animals do these things. Sometimes it's just, I don't know how you can quantify this and really nail it down. I mean, maybe it has to be worded in a different way, but the way it is now, I have to vote no. Thank you."

Representative Halford rose to respond, stating:

"Thank you, Mr. Speaker. Perhaps the Representative from Manoa has some further knowledge what exact, what practices have gone on adjacent lands to ranches that have caused the damage. If I had some clue what that is, I might change my vote. I am for ranching."

The motion was put to vote by the Chair and carried, and H.B. No. 2859, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FENCING," passed Third Reading by a vote of 44 ayes to 7 noes, with Representatives Finnegan, Halford, Meyer, Moses, Sonson, Stonebraker and Thielen voting no.

H.B. No. 2455, HD 1:

Representative M. Oshiro moved that H.B. No. 2455, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in opposition to the measure, stating:

"Mr. Speaker, I'd like to enter my no vote, and I think to need to preface or follow up my no vote with a question of, 'Why now?' That's kind of a rhetorical question, but I have to keep ... Since this bill first came up on the Floor I've been asking myself that every day. Why now? And I still haven't been able to get the answer."

"I've spoken to many of my colleagues. I've spoken to other people voters and even they say, 'Why now?' Is there some type of an internal threat going on that we're concerned about who's going to be our next US Senator? Why now?"

"Again, I've got to bring some numbers to our attention, and I'm going to drill it down just a little bit more. There are about 630,000 registered voters in the State. 30,000 of them are members of the Democratic Party, maybe 10,000 of the Republican Party. I now find that this bill says that the appointment names shall be submitted by the Chair of the prevailing party, which in this case will probably be my colleagues."

"That particular Chair is voted upon and is in office at a convention of which maybe at the most, 2,000 people attend, And maybe at the most he gets 300 delegate votes. I really question that this is the right way for us to be doing this."

"We've had this process in place since the constitutional amendment. I really feel that we are in a rush to judgment. I really feel that this bill had only one hearing with four pieces of testimony. I really feel that is not a very good showing for us in the public, and I really want the whole world to know that I vote no. Thank you."

Representative Halford rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, this is 657? Mr. Speaker, just briefly, in opposition. This bill puts a Party ahead of their State and ahead of our people. So few people in Hawaii are officially partisan in the first place. To designate one of them or just a few of them to create a list of who might replace an absent US Senator, is a mistake."

"It's the current situation where our Governor is elected by a majority of the voters in the State of Hawaii has a lot more credibility

in this process. So I'm opposed to this because I believe it puts Party before people, and Party before the State of Hawaii. Thank you."

The motion was put to vote by the Chair and carried, and H.B. No. 2455, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNITED STATES SENATE," passed Third Reading by a vote of 38 ayes to 13 noes, with Representatives Arakaki, Ching, Finnegan, Green, Halford, Harbin, Marumoto, Meyer, Moses, Pine, Stevens, Stonebraker and Thielen voting no.

H.B. No. 2454, HD 1:

Representative M. Oshiro moved that H.B. No. 2454, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Harbin rose to speak in opposition to the measure, stating:

"Once again to the world, to you, Mr. Speaker. Thank you very much, I must vote no. I'm probably the only one in this room that can really read through the underlying reasons for this particular bill and take it personally, and I do take it personally.

"With that being said, this particular type of measure continues to break down the belief of our people in what it is that we're trying to do here. I came into office with a whole bunch of hullabaloo and I tried, and I still am trying to do the best job that I can. I'm working very hard to get caught up and trying to do all that is expected of someone in my place.

"But to have a measure like this come sneaking through as a stealth bill to attempt once again, have the Chair of the Party make an appointment to the Governor, really, really flies, as I think, in the face of the democratic process. I have written letters to our Chair, who is now my Chair in Hawaii, who I respect very deeply and I encourage him to continue his good work because I had a very difficult time joining the party. I still haven't received my Party membership card.

"The problem is that we're asking a Party which is very partisan and has their own rules that they do not follow, and I have written letters asking them to explain, in making recommendations to the Governor who was elected by a majority rule. Let's not make these types of decisions hastily. Let's let the people decide who should be appointed, or who should be the appointing person, and in this case it's worked for 40 years. Let's leave it alone until the people can speak to it. My vote is no."

The motion was put to vote by the Chair and carried, and H.B. No. 2454, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LEGISLATIVE VACANCIES," passed Third Reading by a vote of 40 ayes to 11 noes, with Representatives Ching, Finnegan, Halford, Harbin, Marumoto, Meyer, Moses, Pine, Stevens, Stonebraker and Thielen voting no.

H.B. No. 767, HD 1:

Representative M. Oshiro moved that H.B. No. 767, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Berg rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker, I rise in opposition. Thank you. This bill is deeply concerning to me because what it says, even though the in the House Draft 1, the Committee took away permitting camping on ag land, the ability to camp on conservation land is amazing to me. That this is actually a consideration.

"The Department, DLNR, already has and it's established in the Hawaii Revised Statutes. It's in the bill. The Department already has the rule making ability for recreational to establish permitted uses for recreational pursuits. I would think that day and overnight camps

might be within that purview. My concern is that these proposals for these camping needs to go through an existing land use permitting process that the State and county levels have established.

"Our conservation land areas have four different zones. What this would imply is that a parking lot could be built, maybe not asphalt but a parking lot could be constructed on a Natural Area Reserves, on a NARS piece of land. We're so worried about pleasing visitors and giving them more of Hawaii to see that such a bill such as this would put us in jeopardy of those particular conservation areas.

"I received a letter here from a young student in the Moanalua area begging us to reconsider this because as she recognizes as a student, that there's unique plant life, insects, mammals. One of the things she brought up that I thought was interesting is that when people walk on certain areas, they leave the droppings of certain other plants will be on the shoes. When we go to the mainland we're asked whether or not we've been at farms because the other states don't want us bringing in our flora and fauna and destroying their areas.

"So I'm very concerned about this bill and I would wish that you would think more seriously, and I will be voting no. Thank you."

Representative Carroll rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, I'm standing with reservations, very strong reservations. Like the previous speaker, I have the same concerns, but I would like to add that with DLNR's enforcement because of the lack of adequate services and the lack of resources, I see a potential for recreational user conflict in the near future. I know in my district I have a lot of squatters, and they would look at this as an opportunity to go and camp in these conservation districts. What's to say how the enforcement in DLNR is going to be able to control that because they already have a lack of resources. So with that I would just like to say, with reservations."

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

"In support with some comments. I think we need to revisit the whole conservation uses because as a home built on the water on conservation land that has no business being there. Thank you"

The motion was put to vote by the Chair and carried, and H.B. No. 767, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPSITES," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Berg voting no.

H.B. No. 2319, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2319, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Third Reading by a vote of 51 ayes.

At 5:50 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2859, HD 1	H.B. No. 767, HD 1
H.B. No. 2455, HD 1	H.B. No. 2319, HD 1
H.B. No. 2454, HD 1	

H.B. No. 2330, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2330, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SOCIAL SECURITY NUMBER PROTECTION," passed Third Reading by a vote of 51 ayes.

H.B. No. 2453, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2453, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CREDIT CARDS," passed Third Reading by a vote of 51 ayes.

H.B. No. 1844, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 1844, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE RULES," passed Third Reading by a vote of 51 ayes.

H.B. No. 2299, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2299, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHAPTER 803," passed Third Reading by a vote of 51 ayes.

H.B. No. 3256, HD 1:

Representative M. Oshiro moved that H.B. No. 3256, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Luke rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Luke's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in strong support of House Bill 3256, HD1. I would like to thank the members of the Penal Code Review Committee, whose diligent effort to meet our Legislative deadline made it possible for us to move forward with this comprehensive update to Hawaii's Penal Code.

"I would like to take a moment to recognize the members of the committee for all their hard work and dedication:

Hon. Steven S. Alm, Chair
Circuit Court of the First Circuit

Hon. Marcia J. Waldorf, Reporter
Circuit Court of the First Circuit

Major Susan Ballard
Honolulu Police Department

Mark J. Bennett, Esq.
Attorney General State of Hawaii

Hon. Joseph E. Cardoza
Circuit Court of the Second Circuit

Peter B. Carlisle, Esq.
Prosecuting Attorney, City and County of Honolulu

Mei Chun
U.S. Attorney's Office, Department of Justice

Brook Hart, Esq.
Law Offices of Brook Hart, AAL, ALC

Charlene Y. Iboshi, Esq.
First Deputy Prosecuting Attorney, County of Hawaii

Tommy Johnson
Hawaii Paroling Authority

James S. Kawashima, Esq.
Department of the Attorney General

Leilani V. Lujan, Esq.
Law Office of Leilani Lujan

Howard K. K. Luke, Esq.
Law Office of Howard K. K. Luke

Joyce Matsumori-Hoshijo, Esq.
Attorney at Law

Hon. Craig H. Nakamura
Intermediate Court of Appeals

Lori Nishimura, Esq.
Attorney at Law

Hon. Richard K. Perkins
Circuit Court of the First Circuit

Hon. Richard W. Pollack
Circuit Court of the First Circuit

Ted Sakai
Department of Public Safety (ret. 2005)

Michael K. Soong, Esq.
Attorney at Law

Davelynn M. Tengan, Esq.
Prosecuting Attorney, County of Maui

John M. Tonaki, Esq.
Public Defender, State of Hawaii

Robert Toyofuku, Esq.
Advocate

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and H.B. No. 3256, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PENAL CODE," passed Third Reading by a vote of 51 ayes.

H.B. No. 1826, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 1826, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THEFT," passed Third Reading by a vote of 51 ayes.

At 5:51 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2330, HD 1	H.B. No. 2299, HD 1
H.B. No. 2453, HD 1	H.B. No. 3256, HD 1
H.B. No. 1844, HD 1	H.B. No. 1826, HD 1

H.B. No. 3254, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 3254, HD 1, entitled: "A BILL FOR AN ACT RELATING TO OATHS OF OFFICE," passed Third Reading by a vote of 51 ayes.

H.B. No. 1936, HD 1:

Representative M. Oshiro moved that H.B. No. 1936, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Cabanilla rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Cabanilla's written remarks are as follows:

"In strong support of the measure, Mr. Speaker.

"This Body has supported over the years extending particular rights and privileges to condominium association members so that greater transparency and equality between the owner and management is facilitated.

"This bill, HB 1936, HD 1, merely permits members within Planned Community Associations to have greater access to documents, and thus, be better educated on the affairs and operation pertaining to their investment – that being their own home.

"Testimony on this measure revealed that there is a void, a lack of recourse for Planned Community Association members to exercise the very basics meant to assist them in preserving their investment. This measure fills in that void.

"In addition, the measure will provide the Department of Commerce and Consumer Affairs with the guidance and ability to ensure that the very laws protecting condo owners are rightfully extended to Planned Community Association members."

"FYI: Language from Rep. Cabanilla's Planned Community Association Bills, three of them: HB 2196 – Financial statements Shared for Duration Records Kept; HB 2197 – Notice for Providing Information; and HB 2653 – Documents Accessible by Request, Expanding Methods to Receive Documents, have been incorporated in the HB 1936, HD 1. HB 1936, HD 1 will now serve as the vehicle for members within Planned Community Associations to garner some of the same rights and privileges that have been extended to condominium owners.

"I met with Rep. Evans (who introduced HB 1936) to request certain language within HB 1936 be changed so that the member making the request is responsible for the costs to accommodate the request. HB 1936 originally had it where the association was to absorb the costs. This burden upon the membership is no longer within the bill and has been removed in House Draft 1.

"In addition, HB 1936, HD 1, includes new language to resolve disputes under the direction of the Department of Commerce and Consumer Affairs, or at least provide additional resources for that purpose within a Planned Community Association. This inclusion in HB 1936, HD 1, was also in response to another bill I introduced, HB 2195 that sought to expand the Condominium Dispute Resolution Pilot Program to those within Planned Community Associations."

The motion was put to vote by the Chair and carried, and H.B. No. 1936, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PLANNED COMMUNITY ASSOCIATIONS," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Morita voting no.

H.B. No. 1980, HD 1:

Representative M. Oshiro moved that H.B. No. 1980, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Marumoto rose to speak in opposition to the measure, stating:

"Mr. Speaker, I rise in opposition. The Legislature passed a 'no fee' law on Macy's-type gift cards just last year. So why are we now passing an exemption from this law for multiuse gift cards this year? Thank you very much."

Representative Meyer rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Meyer's written remarks are as follows:

"In opposition. Exempting multi-use gift cards from Hawaii Revised Statutes (HRS) § 481B-13 which prohibits gift certificate issuers from charging service fees, is unfair and unwarranted. It is inequitable to bind retailers issuing single-merchant gift certificates to certain gift certificate regulations while sparing multi-use gift card issuers from those same regulations.

"This measure hurts Hawaii consumers as it subjects them to a slew of gift card-related fees including initial issuance fees, replacement fees, inactivity fees, and fees for adding value to the card or certificate, all of which will essentially reduce the face value of the card.

"This measure is particularly harmful as many consumers may be caught unawares. The multi-use gift cards are often similar in appearance and function to traditional or single-merchant gift certificates. Thus, many consumers who purchase the multi-use gift cards will be unpleasantly surprised (regardless of the disclosures) to discover that fees will be assessed for tasks as simple as adding more value to the card. Furthermore, the disclosure of initial issuance fees are easily overlooked especially in the case of electronic cards as the disclosure will be printed upon the electronic receipt rather than the face of the card.

"There is little merit to the argument raised by multi-use gift card issuers that service fees should be chargeable as these types of cards are more expensive to operate than gift certificates. Multi-use gift card issuers usually earn an interchange fee of about 1 to 2 percent from the merchant that accepts the gift card.¹ In turn, the merchant accepting the gift card reaps substantial benefits from gift card use as there is typically a reduction in merchandise returns and an increase in the sale of full-priced items as shoppers using gift cards are generally less concerned with taking advantage of discounts.² Thank you Mr. Speaker.

"If the multi-use gift card issuer claims it is not earning a profit, it should negotiate for a higher interchange fee with the merchants rather than imposing a heap of fees upon the consumer.

1. Testimony of Matthew M. Matsunaga of Schalck Ito Lockwood Piper & Elkind LLC.

2. New York Public Interest Research Group, "Many Unhappy Returns – A NYPIRG Report on Risky Holiday Shopping", available at http://www.nypirg.org/consumer/unhappy_returns/default.html (citing Press Release. National Retail Federation. "Gift Cards Emerge as perfect Choice for Person with Everything". November 20, 2003.; Engstrom, Tim and The Associated Press. "Fees Can Take Fun Out of Gift Cards". The News-Press, December 28, 2003. <http://www.news-press.com/news/business/031228giccards.html>; Cauley, H.M. "Guide to Gift Cards; Scrooge Lurks Inside Popular Holiday Gift". The Atlanta Journal-Constitution, December 18, 2003; Futrelle, David. "Cardsharps". Money. December 2003.).

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and H.B. No. 1980, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GIFT CERTIFICATES," passed Third Reading by a vote of 45 ayes to 6 noes, with Representatives Finnegan, Halford, Marumoto, Meyer, Morita and Thielen voting no.

H.B. No. 3100, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 3100, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MORTGAGE FORECLOSURES," passed Third Reading by a vote of 51 ayes.

H.B. No. 3225, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 3225, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," passed Third Reading by a vote of 51 ayes.

At 5:54 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 3254, HD 1	H.B. No. 3100, HD 1
H.B. No. 1936, HD 1	H.B. No. 3225, HD 1
H.B. No. 1980, HD 1	

H.B. No. 1871, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 1871, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER CREDIT REPORTING AGENCIES," passed Third Reading by a vote of 50 ayes, with Representative Evans being excused.

H.B. No. 2705, HD 1:

Representative M. Oshiro moved that H.B. No. 2705, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Sonson rose to disclose a potential conflict of interest, stating:

"Thank you, Mr. Speaker. First I'd like to get a ruling on whether I'm in conflict. I hang a lot of signs," and the Chair ruled, "no conflict."

Representative Sonson continued, in support of the measure, stating:

"I'm basically in support. I think we do need to clean up the way we hang signs. It should look pretty and it should look conforming to the property we are hanging it in, but I think this bill is too restrictive in a way.

"One thing it does, Mr. Speaker, it allows only signs that are 2 feet by 4 feet. That's the largest you can get, and that particular size might not be sufficient to accomplish the intended affect which is basically to attract attention to it from the passing cars if it's in the roadways or close to the roadways.

"If the affect was to ensure that the message gets across to the people that are driving, it should be big enough so they can see it. I just don't think that 2 feet by 4 feet will be sufficient for all I guess, strategic spots, for lack of a better term.

"Second, there is a limitation that you can only put a total of 16 square feet in any residential property. Now 16 square feet; that would be like two signs. If that was the case, the person that would come after the first two signs are, because there are many candidates running for office. So if the Governor puts up two signs, then Lieutenant Governor cannot put up a sign, or if the Mayor puts up a sign, then the Councilman cannot put up a sign.

"I'm not sure if this is sufficient. I think we should work on this a bit so it's not a one-size-fits-all. I do agree with the intent. We should keep it real clean. I think that what happens is there's been some, I mean not recent, but you know the last election it was a little too much. You could drive through I guess if Kalihi, Waipahu, pick a spot where there are passionate people, who are passionate about their politics and their opinions and they'll hang signs everywhere. Sometimes there's 50 to 100 hundred signs of one candidate and I think that's an overkill and it's kind of ugly. I would disagree with those.

"But on the other hand this one is a little restrictive and I think it's sort of it has a chilling effect on free speech. Thank you, Mr. Speaker."

Representative Halford rose to speak in support of the measure with reservations, stating:

"Thank you, simply reservations. Perhaps the counties, each county has different sensibilities about this issue. Thank you."

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, with reservations. I have the same concern. I think some counties would like to have some say in this. But also limiting a residential property owner to how many signs they can put in their yard, like if they want to support two different candidates like was brought up, say the mayor and the legislator, that's pretty bad I think. It might be a freedom of speech violation. Thank you."

Representative Karamatsu rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and H.B. No. 2705, HD 1, entitled: "A BILL FOR AN ACT RELATING TO OUTDOOR ADVERTISING," passed Third Reading by a vote of 49 ayes to 1 no, with Representative Cabanilla voting no, and Representative Evans being excused.

H.B. No. 2897, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2897, HD 1, entitled: "A BILL FOR AN ACT RELATING TO APPELLATE JURISDICTION," passed Third Reading by a vote of 50 ayes, with Representative Evans being excused.

H.B. No. 3101, HD 1:

Representative M. Oshiro moved that H.B. No. 3101, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Souki rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, we're on 675? With strong reservations, please. I hope that as this bill moves along, that some changes would be made especially to the \$25,000 aggregate that the contributors have right now, on this bill. Thank you."

Representative Sonson rose to speak in support of the measure with reservations, stating:

"Thank you very much, Mr. Speaker. Strong reservations on 675. I believe that you know, if we do what we keep on doing, which is to limit the access of poor candidates, such as Representative from Waipahu for donations etc., it really could end up so that any candidate, great candidates from other states, other districts who may want to run for higher office some day, will not be able to fund their election properly, versus a person that's wealthy who has unlimited use of his or her money or assets that they have. So it seems like it's being tilted towards the rich people to run for office, and that I don't think that's fair.

"I think there should be a policy in the State to ensure that there's participation from all walks of life. A great idea would be to have complete public spending on all races. If that would be at all possible. That would be the best thing so that we don't have to you know, look for money everywhere and worry about whether or not you're going to end up in jail because you accepted money from this entity and that entity.

"We keep making changes every single year on who we get money from. I'm sure that a lot of things we pass are great stuff and the public wants us to do that, but at the same time it is getting more and more difficult to raise funds. You know, those poor candidates like myself, Mr. Speaker, it's going to be very hard."

Representative Cabanilla rose to speak in support of the measure, stating:

"Mr. Speaker, I stand in strong support of this measure. There's four things that this campaign spending limitation measure addresses, but I would like to cut down to just one item that I feel very passionate about.

"Contained in this measure is language that addresses a serious matter pertaining to the election process. When you or I receive a monthly billing statement from let's say the telephone company, gas company, or the cable company, you and I expect the material contained within the envelope to be just for the party to do the business at hand.

"However, imagine yourself instead of a billing statement, the material inside the envelope is a flyer soliciting you to vote for a particular candidate.

"Currently, when a candidate or a candidate's committee sends mailings, the envelope must be identified as containing campaign related material. In contrast, when a business conducts a mass mailing endorsing of a candidate and soliciting your vote, the business is not required to disclose on the mailing that the material contained in the mailing is campaign material.

"HB3101 HD 1 will ensure that when a business, as it is it's right, sends campaign material, that it merely identify on the envelope that the material inside is campaign related material. In this way, campaign matters may no longer be disguised as billing statements.

"This law is necessary, Mr. Speaker, because in 2002 and 2004, election of a property management companies, and there's a lot of them in possession of thousands of its clients' membership mailing lists, mailed in same envelopes it mails official association matters, campaign material related. Many thought this practice was deceptive and undermined the election process. This bill is a housecleaning measure and I ask my colleagues to support it. Thank you, Mr. Speaker."

Representative Finnegan rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, in support with slight reservations. Thank you. I just want to let people know that we're still not, well the Campaign Spending Commission is still unclear as to where we are with the last campaign spending laws that we made and it's kind of not clarified at this moment. So I think by adding more stuff on there, I think it's just going to give a lot of people just not only hesitancy, but just not having clarity at this moment. So I think we should maybe take a look at whether or not we want to add more things before we clarify on what's to be expected from the last time. Thank you."

Representative Moses rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, with reservations. Just recently the Supreme Court has dealt with the State's campaign spending laws and said they're too restrictive, and it's an abridgement of the freedom of speech. I hope we don't go there. Thank you."

Representative Stevens rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Meyer rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and H.B. No. 3101, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING," passed Third Reading by a vote of 50 ayes, with Representative Evans being excused.

H.B. No. 1242, HD 1:

Representative M. Oshiro moved that H.B. No. 1242, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Sonson rose to speak in opposition to the measure, stating:

"Mr. Speaker, on 1242, SCR 676-06. Mr. Speaker, I would like to enter my no vote. My opposition has nothing to do with a woman's right to have an abortion done, but this bill, although it says it doesn't expand such things, it does do away with two things: the residency requirement; and operations done in hospitals only. I'm not sure if there is evidence that the hospitals are insufficient to meet the needs of abortion. And I'm not sure whether or not there's been some request of the Tourism Authority that they would like to come to Hawaii to perform an abortion, that we should remove that. There should be a need.

"If there are underserved people that want to have an abortion and cannot get it done, maybe we should change our existing laws. But I think this will just serve to, I guess, make Hawaii a place where they say you can go and stop and go. I'm not sure I would like to be associated with a State like that. Thank you."

Representative Cabanilla rose, stating:

"Mr. Speaker, there's three things that this bill does. I am in opposition to one part. Another part, I'm with reservations. And the other part, I am in support."

The Chair responded, stating:

"So, that's kanalua for us. What is your vote, before you proceed?"

Representative Cabanilla continued in opposition to the measure, stating:

"So if you want to know what my vote is, my vote is in opposition. The ones that I am in opposition with, let me start. The one is the part that repeals the residency requirement. Hawaii is known to be a very beautiful place. We are known for our beautiful and pristine beaches, and wholesome family vacation spots. And repealing the residency requirement would make us the 'go to for abortion' State. We're probably going to rank as one of the sin cities in the world.

"The other one that I have strong reservations going to it is that, and I can agree with the Vice Chair of Health, that it should have gone to the Health Committee because it expands the places where you can get an abortion. When this bill passes, you can now get an abortion in clinics and doctors' offices. And that will support the first thing that it asks, which is repealing that. Because we are now going to have a lot of people coming for abortions in our State, you might as well open it up to more places, and pretty soon we'll probably be doing it in the back seat of a car.

"That's why I say I'm with reservations because it feeds toward a purpose, maybe it's an evil intent, but it feeds to that.

"But I'm in support of the third thing that it does in which it allows for delivery or extraction or abortion, whatever word that you want, for stillborn pregnancies. I think that's a good health measure. Thank you, Mr. Speaker."

Representative Ching rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. On this particular measure, I rise in opposition. I agree with the previous speaker that the reputation of being a State that people can come here and know that they can get an abortion or termination doesn't sit well with me. Thank you."

Representative Green rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. Just with reservations. But I will like to comment, I do not agree with the previous two speakers. I don't think that the bill would have that intent at all. In fact, abortion is legal in the United States of America. I do want to register my reservations just about my Health Committee concern from before. Thank you."

Representative Stonebraker rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. You know well that I will be opposing this bill for a couple reasons. As was mentioned, Mr. Speaker, this is not a mild expansion of abortion. This is one of the most significant pieces of legislation to promote abortion that we've had in recent history.

"I believe, Mr. Speaker, there is a great debate amongst those who are pro-life and pro-abortion, and this is potentially the bill to argue over it. However, even those who are in favor of abortion I think would be hard-pressed to say that abortions are good things. They're usually the last option. They're not a positive thing. Nobody looks at an abortion procedure having been done as a great thing. It's nothing to be celebrated, Mr. Speaker. And I would venture to say that even those who are in favor of the practice would be hard-pressed to say that it is a good thing to get an abortion. And so why would we promote it in such a grand way; in such a broad, wide-sweeping way where we will remove safety measures like a residency requirement; where we will expand it into clinics rather than leaving it in hospitals.

"Mr. Speaker, I think that this is much more pervasive than most of the legislation here for a couple of reasons. First of all, it deals with the issue of the respect for life. I believe that if we disregard life at its earliest stages, I believe it defines who we are as a society. And the way that we treat the innocent, and the way we treat those who are helpless and cannot help themselves will be reflected in every other decision that we make in society. And so, by making a decision like this, in general, philosophically, all of our other decisions will be tainted and warped because we've undermined the very basic principles of human life and human dignity.

"Mr. Speaker, the other reason is that I believe that this legislation was put forth primarily for ideological motives. It's a bill that deals with hospitals, it deals with clinics, it deals with life. It deals with invasive surgery, it deals with patients, and yet it did not go to the Health Committee. Mr. Speaker, this bill should have gone to the Health Committee, but I believe that the authors of the bill intentionally diverted the bill away from the Health Committee to avoid the scrutiny that it deserves, and rather brought it to their own Committee, the Judiciary Committee, so that it could be snuck through in a back-room fashion. I believe that it's disingenuous, and I believe it violates not only our rights as legislators, Mr. Speaker, but the rights of all the people of Hawaii who deserve better than that. Thank you."

Representative B. Oshiro rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in support. The hour is late so I will try to keep my comments very brief. First and foremost, I did want to address the fact that there are two measures that dealt with abortion as I said on Second Reading: HB 1242 and HB 1241.

"House Bill 1241 was referred to Health, but unfortunately, that bill did not move. That was the opportunity for the Health

Committee to address some of these issues. However, when HB 1242 was referred to Judiciary, the primary reason that it was only referred to Judiciary is because what we are doing is making sure that current practice conforms with what is already happening through case law. For those that don't understand, let me explain what case law is. There are two ways for laws to be made. One is through statute, and one is through court cases, and this is what's happening with Roe v. Wade.

"Roe v. Wade was issued in 1973, and since that time the Supreme Court has taken up the issue numerous times and issued multiple decisions such as The City of Akron Planned Parenthood v. Casey, and Planned Parenthood Kansas City v. Ashcroft. And in all of those cases, what they set forth are the parameters under which an abortion can occur, and cannot occur. And that are the legal parameters that we have set forth in this bill. Basically to say that the statute which is outdated, should actually conform with what's going on in current practice.

"Now the second question people may have is, why do we need it if that's what is already happening out there? The reason we need that is because there is the potential that Roe v. Wade could be overturned with the new appointments to the Supreme Court. Now, that is speculation and we don't know if that's exactly going to happen. But there is a case that the Supreme Court has accepted to take up this coming term. And they could issue a decision while we are not in Session, and then what would that do? It would create a cloud of uncertainty as to what is the practice that is allowed out there.

"And why do we feel that we can go forward with a bill like this, even if the Supreme Court overturns Roe v. Wade? And that is because, in our State Constitution, we have an explicit right to privacy. Unlike the federal Constitution, where basically the Supreme Court has sort of interpreted it in a thing called a *penumbra*, or an implied right, they actually found it was something that was part of the liberty interest, and that's why it's been criticized. In our State Constitution, Article I, Section 6, we have an explicit right to privacy. And in formulating that right to privacy, the framers of the Constitution said, "By amending the Constitution to include a separate and distinct Privacy right, it is the intent of your Committee to insure that Privacy is treated as a fundamental right for purposes of constitutional analysis. This privacy concept encompasses the notion that in certain highly personal and intimate matters, the individual choice should be afforded freedom of choice, absent a compelling state interest." And that is why we are moving forward with this bill.

"I do agree actually with the prior speaker. This is not something that we necessarily would celebrate. But sometimes, our individual rights are something that need to be protected, whether it is a decision that we agree with or not, it is the individual's choice. Thank you."

Representative Sonson rose to respond, stating:

"Just a couple of words in rebuttal. If we say that yes, we have a Constitution that is different from the federal Constitution in that this is to implement our Constitution, I would disagree. There is no case law in the State of Hawaii that says that we cannot have a residency requirement in our laws. There is no case law in Hawaii that says we cannot limit operations of abortions in be in hospitals only. Why is this moving forward? Because someone is looking at a crystal ball and what will happen in the future. I'm not sure if this is the right thing to do at this time. Mr. Speaker, I think the laws that we have are sufficient to serve the needs of those who want to have abortions. And we should keep it there unless there is a proven need.

"Another study or another way to look at this would be, if there is proof that there is a greater need that is not served by the current law, why should we expand it? And if there is no law that says our law is illegal, why should we change it?"

Representative Lee rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I rise to speak in favor of the measure.

"Mr. Speaker, more than 30 years after the *Roe v. Wade* decision, a woman's right to choose hangs by a thread in the U.S. Supreme Court. Some of our leaders in Washington, D.C. have chosen to attempt to eviscerate the constitutionally protected rights to reproductive freedom women currently enjoy. If you haven't read the paper, anti-choice forces continue to attack the right to privacy and a woman's right to choose.

"Hawaii was the first state in the union to decriminalize abortion. To assure the rights to privacy and choice in Hawaii, we need to update the Hawaii law that originally gave women in our State the right to choice. That law passed three years before the *Roe v. Wade* decision, and allowed to become law by a Catholic Governor, contains archaic and outdated provisions

"The Hawaii Legislature has never revisited this statute since it was passed in 1970, although we are clearly aware of the unconstitutional provisions.

"Section 453-16 requires that a woman be a resident of the State 90 days prior to her abortion. We know that any traveler to Hawaii can receive medical treatment in Hawaii, regardless of how long they have been here.

"The statute also says that all abortions must take place in hospitals. In fact, we know that abortions take place in clinics and physicians' offices, not just hospitals, and this is what makes abortions affordable to poor women.

"Hawaii, more than any other state, has clearly articulated the right to privacy. At a time when the U.S. Supreme Court is about to rule on a potential federal ban on abortion in *Gonzales v. Carhart* and when South Dakota has passed a complete ban, it is urgent that our State affirmatively declare its policy on a woman's right to choose.

"Mr. Speaker, may I also say that there was no need for this measure to be heard in the Health Committee as the changes needed are purely legal in nature. Of course, health issues cut strongly in favor of the right to choose. The blood, tears and often the lost lives of women who terminated their pregnancies illegally in the past, demonstrate that point too well. No wonder many of us who lived through the bad old times when there was no choice for safe, legal and accessible services say, 'Never again. Never again.'

"But look at what has been happening. Since 1993, anti-choice advocates have murdered three doctors, two clinic employees, a clinical escort and a security guard. They have inflicted permanent injuries including blindness upon many others. Opponents of choice have directed over 4,000 reported acts of violence against abortion providers since 1977, including bombings, arson, death threats, kidnappings and assaults. In addition, over 75,000 acts of disruption have been directed at clinics including bomb threats and harassing telephone calls.

"Mr. Speaker, reproductive rights are key to a woman's ability to control her own life and therefore central to a woman's autonomy and equality. The State must not interfere with nor deny a female's right to choose.

"Today we are carrying out our responsibilities. With our vote today, Hawaii will again lead to uphold a woman's right to decide whether and when she will be pregnant, but, most of all, we will be acknowledging that women should have an equal place at life's table and be respected as the decision-makers for their own future. Thank you, Mr. Speaker."

Representative Stonebraker rose to respond, stating:

"Thank you, Mr. Speaker. A brief rebuttal. It's not surprising that the proponents of abortion do not want to speak about the actual procedure. I'm not surprised about that they'll want to talk about what the Constitution may or may not say. The specious right to privacy. They'll talk about what somebody may have done years ago. They won't talk about the 40 million children that have been killed by abortion.

"And they won't talk about the underlying measure which was to promote partial birth abortion. A procedure which, Mr. Speaker, is brutal and most degrading to our society and to human nature. It's a procedure where a fully viable child in the womb, who can live outside the womb ..."

Representative Takai rose to a point of order, stating:

"Mr. Speaker, point of order. I believe this draft of the bill does not include that anymore. I think the speaker should confine his remarks to what's in the current draft."

Representative Stonebraker responded, stating:

"Mr. Speaker, I gave incredible leeway to the previous speaker's recitation about abortion doctors who were murdered and so forth and so on. Let me speak to the underlying measure that was ..."

The Chair addressed Representative Stonebraker, stating:

"The Chair will, Representative Stonebraker. The Chair will allow you, but can you really try to confine your remarks in regards to the legislation that is before us because it is not, quote unquote, addressing the process or procedures of abortion, but clarifying the language."

Representative Stonebraker continued, stating:

"For the information of the Body, the original measure was meant to promote the practice of partial birth abortion. This was the impetus for the legislation, and this was the desire of the drafters of the legislation. Partial birth abortion is when a fully viable child ..."

Representative Thielen rose, stating:

"Mr. Speaker. Thank you, Mr. Speaker. I take offense to that. That was not the intention of the drafters of the legislation. The intention of the drafters was merely to put the present state of the law into our statutes. It was not to enlarge that. That was clearly noted by the Vice Chair of Judiciary at the beginning of the hearing. The people who were there to testify were very glad to hear that and the proceeding went ahead.

"I believe that my colleague is going far beyond what was the intent of the drafters of the legislation. Thank you."

Speaker Say: "Representative Stonebraker, will you ... Can you confine ..."

Representative Stonebraker: "I appreciate the previous speaker's remarks being one of the authors of the original legislation. She was one of the authors and I respect the fact that she may be offended by any revelation of what the underlying measure may be."

Representative Thielen: "Mr. Speaker, I take offense to that. There should be no revelation because that was not our intention. Our intention was merely to codify to the existing law. Thank you."

Speaker Say: "Representative Thielen, you stand corrected. Representative Stonebraker, can you confine your remarks to the clarification ..."

Representative Stonebraker: "Yes, Mr. Speaker. I would love to, if ... If I was given the chance to, I would love to, Mr. Speaker. Thank you."

Speaker Say: "... and codification of the present laws that we have on the books.

Representative Stonebraker: "Thank you. I will, if I'm not interrupted again. Thank you. Partial birth abortion is when a fully viable fetus is ..."

Speaker Say: "Representative Stonebraker, you are out of order. Can you confine your remarks to the codification of the present law ..."

Representative Stonebraker: "Yes, Mr. Speaker. Please grant me the leeway to make the connection here. The point is a rebuttal to the Vice Chair of Judiciary's remarks."

Speaker Say: "He addressed his remarks in clarifying and codifying the present law in anticipation, if there is a ..."

At 6:24 o'clock p.m., Representative Souki requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 6:28 o'clock p.m.

Representative Stonebraker continued, stating:

"Thank you, Mr. Speaker. The point is this. That much of the debate about this bill is the referral. Now the Vice Chair of Judiciary said that it didn't need to be referred to the Health Committee because of its contents now. My point is that the contents now were not the contents of the original drafted bill. The bill should have been referred to the Health Committee, without argument. It's amended now, yes. It's amended due to the immense testimony in opposition. But the underlying measure called for something completely different, and so for that reason I wonder if the Vice Chair, the Majority Floor Leader, would yield to a question at this time?"

The Chair addressed Representative B. Oshiro, stating:

"Representative Blake Oshiro, will you yield to a question?"

Representative B. Oshiro responded:

"Sure."

Speaker Say: "Representative Stonebraker, address your question to the Chair."

Representative Stonebraker: "Why was this measure not referred to the Health Committee as it was drafted for partial birth abortion?"

Speaker Say: "Representative Blake Oshiro, may I respond on behalf of this House? It has always been the Chair's policy to share the referral process with the House Majority Leadership. We have 13 members of that Committee that has a sheet that he or she writes what the Committee referral will be.

"In this particular case, it was just referred to the Committee on Judiciary, and the Chair of this Chamber takes full responsibility for the actions of the referral Committee which is made up of leadership. In prior years, it was totally different in terms of how former Speakers did their referral process. So it is the responsibility of the Chair, and I take full responsibility."

Representative Stonebraker: "In closing then, Mr. Speaker, I just appreciate you taking full responsibility. And with all due respect, Mr. Speaker, I think it was it was wrong to make that decision. Thank you."

Representative Caldwell rose to speak in support of the measure, stating:

"Mr. Speaker, in support. I just want to incorporate the words of the Vice Chair of Judiciary. I have to say, it confirmed for me, why we are all here. It couldn't have been stated better or clearer. And also the words of the Representative of Mililani and what she said about choice and life. Thank you very much, Mr. Speaker."

Representative Morita rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In strong support. I also would like to adopt the remarks of the Representative from Mililani and the Vice Chair of Judiciary as my own," and the Chair "so ordered." (By reference only.)

Representative Moses rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. In opposition. I just have to remark, I just heard a previous speaker talk about choice and life in the same sentence. I've said many times on this Floor, I'm pro-choice. I just choose life, and I hope everybody else does. But we found in this measure now, there is no residency requirement, and hospitals are not required. Abortions can be done in clinics. So I guess we really aren't concerned about the health of the mother because we're going to be able to do it in clinics, and I don't know what a clinic really is. I mean, how small could it be? Could it be somebody's desk in an office? I don't know.

"But I guess now we're going to be known as the 'health and abortion state', instead of the Health State. And I'd like to know, Mr. Speaker, where is this burning need? Where do we see the data that people are not getting the treatment that they request? And where are we seeing that people are flooding in to here; flying in to get abortions? I don't know, Mr. Speaker. To say that we're doing this because the Supreme Court, I hope, will overturn Roe v. Wade; I don't see that that will exempt the State from abiding by federal law. Thank you."

Representative Finnegan rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. Thank you for allowing me some comments in opposition. Thank you. You know, actually this is not an easy thing to debate. I can actually understand the feelings of the Representative from Mililani because she comes from a time when people did do these things with a hanger or vacuum or whatever it is. So listening to her comments, I can understand where she is coming from and why she feels the ways she does.

"I come from a little bit different time. I come from a time where these abortions are being done, and they're being done almost as easy as taking a birth control pill. It really does happen that way. I've met people who have come up to me and said that, 'Oh yeah. I've had seven or eight abortions.' When we get to that point, I think that, and what this measure does is, it makes it easier so that people don't have to basically struggle with this kind of decision. It does have a way of not respecting life.

"So as we move forward, I come from a different time, that wants to see a reversal of some of this stuff. These changes in the abortion law definitely don't sit well with me. Thank you."

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

"Thank you, Mr. Speaker. I rise in support of the measure. Mr. Speaker, I come from the same time as the Representative from Mililani. And it was a frightful time for young women; a very scary time. Some of them didn't live. Some of them were scarred permanently. Some of them never could bear children after those procedures, those illegal procedures that they had. I think it is very important that we codify our law, and that is all that we are doing.

We are not expanding it. We are not doing anything other than just putting it into our statutes. I would like to have the words of the speaker from Mililani in the Journal as if they were my own. Thank you," and the Chair "so ordered." (By reference only.)

Representative Hale rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I also would like the words of the Vice Chair of Judiciary and the Representative of Mililani as my own. I'm sorry, it's getting late. Putting her words as my words in the Journal. I support very, very strongly. Thank you."

Representative Cabanilla rose to respond, stating:

"Mr. Speaker, just a quick rebuttal on this measure. This is in response to my colleague from Mililani. It bothers me that I have to rebut because I like her a lot. This bill doesn't ask that it repeals the right of a woman's choice. This bill doesn't repeal the right of privacy. My opposition, and the opposition of most of the people who are opposed to this measure on the Floor is the fact that it is expanding it to a lot more women that do not live in our State. It is enough that we carry our own cross, but I don't think we should carry everybody else's."

Representative Stevens rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I rise in support with just a couple of reservations. I do support a woman's right to choose because I believe women will make these difficult choices no matter what the law says. However, I am opposed to one provision in the bill. The purpose section of this measure seeks to improve the health and safety of women. But it seems to me to actually lower the standard of care by allowing these abortions to be done in clinics or offices, rather than in the safety of hospitals. That is my reservation and I hope that as it moves along that that might be corrected. Thank you."

Representative Marumoto rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in strong support of this measure. Recently, some of us attended a Planned Parenthood fundraiser where a video was unveiled. It was produced by the noted videographer, Tom Coffman. Most of us are familiar with him. It chronicled the making of this law; how it was passed back in 1969 and '70. The Mililani Representative mentioned that it was at the time when Governor Burns was the Governor. He was a Catholic Governor and he allowed bill to become law without his signature.

"But they also chronicled the work of some lobbyists: Representative Pat Saiki, Representative George Loo who I believe was the House Judiciary Chair, and Senator Vince Yano who I think was the Senate Judiciary Chair. The aforementioned men were all Catholics, but they fought for this law knowing that the people who wanted to undergo this procedure could do so, and those who did not, did not have to. Thank you."

Representative Luke rose to speak in support of the measure, stating:

"Mr. Speaker, just real briefly in strong support. I just wanted to clarify that the residency requirement and the striking out that the operation be only done in a hospital, those have not been the current practices in years. The residency requirement has been struck down as unconstitutional for years. And the doctors here, in their own offices, do perform abortions so it is not just being done in hospitals. That is why I just don't understand when the opponents saying that this is expanding the current practices. This is actually codifying the current practices because doctors do not look at the residency requirements. Doctors do not just perform abortions in hospitals. Thank you."

The motion was put to vote by the Chair and carried, and H.B. No. 1242, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SECTION 453-16, HAWAII REVISED STATUTES," passed Third Reading by a vote of 37 ayes to 13 noes, with Representatives Abinsay, Arakaki, Cabanilla, Carroll, Ching, Finnegan, Kahikina, Magaoay, Meyer, Moses, Pine, Sonson and Stonebraker voting no, and Representative Evans being excused.

At 6:41 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 1871, HD 1	H.B. No. 3101, HD 1
H.B. No. 2705, HD 1	H.B. No. 1242, HD 1
H.B. No. 2897, HD 1	

H.B. No. 1984, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 1984, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONVICTION DATA," passed Third Reading by a vote of 50 ayes, with Representative Herkes being excused.

H.B. No. 2282, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2282, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHAPTER 846E," passed Third Reading by a vote of 50 ayes, with Representative Herkes being excused.

H.B. No. 3014, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 3014, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BAIL," passed Third Reading by a vote of 50 ayes, with Representative Herkes being excused.

H.B. No. 3016, HD 1:

Representative M. Oshiro moved that H.B. No. 3016, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in opposition to the measure, stating:

"Just briefly on 817, in opposition, Mr. Speaker. This just throws away outstanding warrants because we just can't handle them now. Why do we have laws and give people tickets, etc. Why do we bother? Why do we need the police that we talked about earlier today? Because if they arrest anybody and they don't show up for court for a long enough period of time, we just throw it out. What kind of message does this send?"

The motion was put to vote by the Chair and carried, and H.B. No. 3016, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNSERVED ARREST WARRANTS," passed Third Reading by a vote of 41 ayes to 9 noes, with Representatives Ching, Finnegan, Halford, Marumoto, Meyer, Moses, Pine, Stonebraker and Thielen voting no, and Representative Herkes being excused.

H.B. No. 2412, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2412, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO THE INTERNAL REVENUE CODE," passed Third Reading by a vote of 50 ayes, with Representative Herkes being excused.

H.B. No. 1026, HD 1:

Representative M. Oshiro moved that H.B. No. 1026, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. In opposition. The bill is titled, Income Tax. The original bill was gutted and it was replaced by this present bill in front of us. What does it do? It raises the TAT on timeshares. It's a tax increase. Right now, according to this bill, they're going to be taxed on the fair market rental value. That amount was one half of a percent of the building maintenance fee. It is going to be raised to twice the percent; twice the fee. Well actually, it's zeroed-out, so it's not in the current measure. But we know what the intent was. So, it's raised four times the amount that it was. I think there's a problem there.

"Mr. Speaker, also the tourism industry is the foundation of the State's economy. This tax increase on this segment of the economy would be inadvisable I believe. Owners of timeshares enhance the economy by employing local people in jobs such as maintaining the property, property sales, call centers, etc. The increase in taxes may hurt jobs for locals. The timeshare owners are already paying their fair share of taxes, and according to a survey released by the American Resort Development Association, timeshare visitors spend about 44% more per visit, than other Hawaii visitors from the mainland. Timeshares have the potential to bring renewed investment to run-down hotels. Additionally, the timeshare industry spends its own revenue marketing the destination, adding to the State's economy. Thank you."

The motion was put to vote by the Chair and carried, and H.B. No. 1026, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 42 ayes to 8 noes, with Representatives Ching, Finnegan, Marumoto, Meyer, Moses, Pine, Stevens and Stonebraker voting no, and Representative Herkes being excused.

At 6:45 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 1984, HD 1	H.B. No. 3016, HD 1
H.B. No. 2282, HD 1	H.B. No. 2412, HD 1
H.B. No. 3014, HD 1	H.B. No. 1026, HD 1

H.B. No. 2312, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2312, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE EMERGENCY BUDGET AND RESERVE FUND," passed Third Reading by a vote of 51 ayes.

H.B. No. 2836, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2836, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INFORMATION SECURITY," passed Third Reading by a vote of 51 ayes.

H.B. No. 1466, HD 1:

Representative M. Oshiro moved that H.B. No. 1466, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In strong support. Mr. Speaker, I rise to speak in support of this measure. The scourge of crystal methamphetamine has been with us since the 1980s. Many, many

people did not recognize it for what it was back then. Hospital emergency rooms showed a great increase in the number of psychosis diagnosis in young adults. No one knew what it meant. In hindsight, this was the first signs of the epidemic we talk about now. Over the past several years, this issue has been sensationalized, humanized and politicized. We all agree that this problem required a comprehensive approach: prevention, treatment and enforcement.

"Your Members on this side of the aisle have never wavered from the belief, and have taken Majority Members to task on this Floor when we felt you were ignoring part of the comprehensive approach. But this bill before us Mr. Speaker, focuses mostly on the other aspects of the comprehensive approach: prevention and treatment.

"Mr. Speaker, we need to stay on course on this issue. It will not be solved overnight, and it will not miraculously disappear with this bill. Although many of my colleagues wish that this could happen, it just won't. It will require commitment by us and our successors, this Administration and successive administrations, and many others. These funds represent our commitment. They are necessary and they are a little step dealing with this ice epidemic. And once again Mr. Speaker, I have to commend this Body for piggy-backing on the Lt. Governor's initial eight complex project and expanding upon it. Thank you."

Representative Luke rose to speak in support of the measure, stating:

"Mr. Speaker, in strong support. Let me just let the record show that the ice initiative, I believe was the initiative of the Legislature. We are happy that the Administration actually piggy-backed on the initiative of the Legislature with the Ice Task Force that went out to all the islands. That went to pretty much all segments of the community on Oahu and came out with a comprehensive report.

"I do agree with the Representative from Makakilo that it was three-pronged approach: prevention, treatment, and also law enforcement. I believe we did that with Act 40 and Act 44. Unfortunately, the Administration didn't agree with the prevention and treatment, and we continue to struggle with trying to make sure that the funds that were appropriated by the Legislature go to those people who are in need.

"I think there is no doubt that the Legislature has taken a hard stand against manufacturers and distributors of this drug, and we continue to have this battle of making tough decisions and tough penalties against those people who really need to be in jail. At the same time, we need to continue the treatment and prevention section. So because of that, I am in strong support."

Representative Meyer rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I'm rising in strong support of SCR 822. I was on the Ice Task Force and it was a real revelation. We went to all kinds of treatment places here and on the Neighbor Islands. We had all kinds of experts come talk to us, people in the Narcotics Division. This is a really tough problem to crack.

"We had a bill here earlier today that I was really pleased has passed. This was one that the law enforcement people had wanted. I think that is the section that we didn't get passed a few years ago on getting tougher on crime and not treating dealers as if they were just addicts. That's a big step in the right direction. But I'm very happy to support this. We really need to put money into prevention and pay a lot more attention to young folks, adolescents, because it's a lot easier to turn a young person around than it is somebody who's been smoking ice for 10 or 12 years.

"At the same time, we need to support prevention because when people hit the bottom and they want to do something about it, they need that kind of help and support because it's not an easy thing. We have to keep working at it. We have to be reasonable. I think that

this is \$14 million plus, well spent. And I hope that we can keep this going to Final Reading. Thank you, Mr. Speaker."

Representative Lee rose to speak in support of the measure, stating:

"Mr. Speaker. I just want to stand in strong support of the measure. I just want to say that I think it was referred to earlier today in the *Advertiser* editorial where it said, 'What happened to the war against ice?' I think we've seen on the Floor today that we are indeed working on fighting the war on ice. Thank you."

Representative Ching rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In strong support and I ask that I have written comments inserted in the Journal. One comment that I did want to make is, I have been here for two terms now and I don't recall the Administration ever not being in favor of prevention. That is my recollection. If I stand corrected, so be it. But my recollection is that the Administration has always been in strong on prevention."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in support of this measure which institutes and funds school programs in local anti-drug community education prevention programs.

"H.B. 1466 provides the State with a strategy which equips and allows our schools additional funding to combat the drug epidemic. Substance abuse prevention is imperative in protecting our youth. Substance abuse has proven to be extremely costly and a widespread problem among our Hawaiian youth today. H.B. 1466 allows \$5,250,000 worth of funding for prevention and intervention youth programs. \$3,150,000 is incorporated into neighborhood and family support education programs and \$6,300,000 is allocated for continuing care assistance.

"Education is a tool we as a State can use to confront and halt the greatest threat to our youth – drug use. Expanding and funding substance abuse programs displays a strong commitment from the State of Hawaii, that substance abuse will not be tolerated.

"Immediate and mandatory action must be taken in response to Hawaii's epidemic substance abuse."

The motion was put to vote by the Chair and carried, and H.B. No. 1466, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," passed Third Reading by a vote of 51 ayes.

H.B. No. 1795, HD 1:

Representative M. Oshiro moved that H.B. No. 1795, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Halford rose to speak in opposition to the measure, stating:

"On 823, in opposition. Mr. Speaker, this bill is asking to increase the number of Board members for the Health Systems. Mr. Speaker, I don't know why we might need any more than the number that we have now. But certainly this process, if this comes about, will dilute the influence of those Board members that are there representing a geographical area. There is no specification where the four new members might come from. And so a Board member from Maui, for example, their input would be diluted by this. And I don't see that as a favorable thing. At some point, you get too many Board members and effective decision making can be hampered.

"I think if we really want to help the Health Systems Corporation, and I presume the purpose of this is to improve the Health Systems Corporations. That this isn't a political move, a move for purposes or just for political influence. So in the favorable scenario that this is to

help the Health Systems Corporation, and they do need help, that the most important thing we could do for them is to fund their unfunded mandates.

"We've asked them to keep facilities open that are certain to lose-money facilities; Lanai being one, Ka'u being another. And the losses can be computed in advance within a few percent. We do not actively seek that number and reimburse them for that. Secondly, we ask them to fund indigent care; people that could not ever pay for care, we ask them to fund that. And third, they have the burden of a collective bargaining system that does not match a hospital system. And I'm for all of those mandates, Mr. Speaker. But unless we fund them, by us not having funded them, we have diminished the quality of care in the Health Systems Corporation. If we do that, we won't need to look for excuses why we might need more Board members to make our hospital system better. Thank you."

The motion was put to vote by the Chair and carried, and H.B. No. 1795, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION," passed Third Reading by a vote of 41 ayes to 10 noes, with Representatives Ching, Finnegan, Halford, Marumoto, Meyer, Moses, Pine, Stevens, Stonebraker and Thielen voting no.

H.B. No. 1800, HD 1:

Representative M. Oshiro moved that H.B. No. 1800, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. This is a tax increase, again. Although you might say, well, but it's not on our residents, and that's correct. It started off as a 20% increase and now it's over 20% withholding. Let's not say increase. And now it's down to an 8.25% increase. I'm in opposition. Thank you.

"And we say, 'so what' because it's non-residents. Well, I need to point out that I believe this bill may be unconstitutional because we are treating non-residents differently than residents and I thought we just heard another bill that said we couldn't do that. But this is based on the sales price. Property sales price. It's not based on the price that they actually realize, the profit price. They could actually lose money but we're withholding 8.5% on their sales price and it's just withholding. We have to give it back unless they actually made a profit.

"So I don't understand what good it's doing for us, except for scaring away foreign investors, I guess. Maybe it's a protectionist measure. We don't want them to buy any real property in Hawaii. That could be. But if that's the case, I don't know if that's what we want to do either. Thank you."

Representative Souki rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I want to declare a potential conflict of interest. I am a realtor," and the Chair ruled, "no conflict."

Representative Souki continued in support of the measure with reservations, stating:

"Thank you very much. I have strong reservations on this measure based on the possible constitutionality."

Representative Finnegan rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. In opposition with a few comments. Thank you. I realize that this is not a tax increase, but it is an increase to withhold the amount that say an escrow company will hold if they sell an investment property that's owned by a non-

resident. The problem I have is not necessarily that we're increasing it, but what we're doing ... Well I do have a problem with it being increased.

"The problem I have with this bill is that for these non-residents, say the non-resident sells it and they need the money. We are increasing the amount whether or not there is a capital gains on that particular property being sold. We hold on to that amount until it can be clarified through their tax returns, and then maybe their tax returns will give them back their money. Basically what it is is that you're withholding money, you're increasing the withholding of money whether or not there's a capital gains. And it's based upon the sales price from my understanding and not the capital gains price.

"Again, I do understand that this is not a tax increase, however people need their money, that's probably why they sell. So for those reasons, I'm in opposition. Thank you."

Representative Pine rose to speak in opposition to the measure, stating:

"Yes Mr. Speaker, in opposition. I tried to relate this situation, or what this bill would do to perhaps a local family who maybe a majority of them moved away to the mainland and no longer residents. What if their grandmother died and they had to sell the house and there's large debts looming that they had to pay? To sell this house would help them to pay those debts. For those reservations, Mr. Speaker, I'm voting no. Thank you."

The motion was put to vote by the Chair and carried, and H.B. No. 1800, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SALE OF REAL PROPERTY," passed Third Reading by a vote of 42 ayes to 9 noes, with Representatives Ching, Finnegan, Halford, Marumoto, Meyer, Moses, Pine, Stevens and Stonebraker voting no.

H.B. No. 2274, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 2274, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE RISK MANAGEMENT," passed Third Reading by a vote of 51 ayes.

At 7:00 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2312, HD 1	H.B. No. 1795, HD 1
H.B. No. 2836, HD 1	H.B. No. 1800, HD 1
H.B. No. 1466, HD 1	H.B. No. 2274, HD 1

The Chair announced:

"Members, at this time, we will be taking House Bill No. 2972, HD 2, out of order."

H.B. No. 2972, HD 2:

Representative M. Oshiro moved that H.B. No. 2972, HD 2, be recommitted to the Committee on Consumer Protection & Commerce, seconded by Representative B. Oshiro.

Representative Stonebraker rose, stating:

"Yes, which bill is this?"

The Chair responded, stating:

"House Bill No. 2972, Relating to Electrical Licensing. Stand. Com. Report 828. It is a recommital."

The motion was put to vote by the Chair and carried, and H.B. No. 2972, HD 2, entitled: "A BILL FOR AN ACT RELATING TO

ELECTRICAL LICENSING," was recommitted to the Committee on Consumer Protection & Commerce.

H.B. No. 2419, HD 1:

Representative M. Oshiro moved that H.B. No. 2419, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Takai rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in support of this measure. Just briefly Mr. Speaker, I just wanted to point out to our colleagues, especially the ones across the aisle, that there are times when the State looks at the creation of a special fund as something good. And I would like to specifically ask the Representative from Makakilo to pay particular attention to this particular measure. We create special funds in certain cases to incentivize people, helping the State bring in additional revenue. In this particular case, it's the Tax Department that has asked for this measure and for this special fund because they feel it necessary to hire these businesses that would then go out and seek after these delinquent taxpayers.

"Mr. Speaker, I strongly support this measure and I would urge my colleagues to take a real good look at this and understand why we need these types of funds. And Mr. Speaker, I would like to ask also to insert written comments into the Journal," and the Chair "so ordered."

Representative Takai's written remarks are as follows:

"Mr. Speaker: As I mentioned earlier, I believe that our esteemed colleague from Kapolei and all our members, for that matter, need to understand the importance of special funds.

"As a point of information, I provide the following excerpts from the *House Journal* regarding comments made previously by our colleague from Kapolei.

HB 2609, HD 1. 2002 session, Day 23, "I have problems with special funds"

HB 2040, HD 1. 2004 session, Day 16, "I thought it was a good idea but it also creates a special fund so just because I really don't care for special funds, I just want to raise my reservations."

HB 2844, HD 1. 2004 session, Day 26, "I'm sorry Mr. Speaker, but I have reservations on this measure. And one is that it's creating a special fund of course."

SB 575, SD 1, HD 1. 2005 session, Day 39, "It's just that it's another special fund and I just have a problem with creating more and more special funds."

SB 575, SD 1, HD 1. 2005 session, Day 41, "I'm just always opposed to creating more special funds."

"Thank you, Mr. Speaker."

Representative Moses rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In support. My problem with special funds is when they lack a nexus, and when we continually raid them. I think that neither will happen or won't be raided in this case. And there is a nexus. So I support this special fund. Thank you."

The motion was put to vote by the Chair and carried, and H.B. No. 2419, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 51 ayes.

H.B. No. 2835, HD 1:

Representative M. Oshiro moved that H.B. No. 2835, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In support. Just a couple of short comments. I do see this as a very positive measure as we are increasing the low-income refundable tax credit per exemption from \$35 to \$75, from \$25 to \$50, and from \$10 to \$20. Let's just keep in mind that we are one of the highest states that taxes the poor and I would like to see measures that make significant improvement in that. So I do support the bill. I'm anxious to see if we're going to see more of this. Thank you."

Representative Sonson rose to speak in support of the measure, stating:

"Mr. Speaker, in support of 827. I hope that when this moves forward that we could find it in the budget to ensure that it could be expanded to people with \$50,000 of income and below. Maybe \$100 per exemption. I believe if you do it that way, the total amount of money going forward would be \$70.7 million. I don't know what this bill as written would cost, but if you were to expand it to incomes of \$50,000 and below, that would cost about \$70.7 million."

The motion was put to vote by the Chair and carried, and H.B. No. 2835, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LOW-INCOME REFUNDABLE TAX CREDIT," passed Third Reading by a vote of 51 ayes.

H.B. No. 3193, HD 1:

On motion by Representative M. Oshiro, seconded by Representative B. Oshiro and carried, H.B. No. 3193, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 51 ayes.

At 7:04 o'clock p.m., the Chair noted that the following bills, passed Third Reading:

H.B. No. 2419, HD 1 H.B. No. 3193, HD 1
H.B. No. 2835, HD 1

The Chair announced:

"Members, at this time, we are at the end of the calendar. We will be taking up the items that were moved this morning to the end of the calendar. So members can we go back to page 4 of the Order of the Day, and it is Standing Committee Report No. 728-06."

END OF CALENDAR

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 728-06) recommending that H.B. No. 2696, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2696, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

At 7:05 o'clock p.m., Representative Caldwell requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 7:13 o'clock p.m.

The Chair announced:

"Thank you very much members of the House for your patience and indulgence. We are on Stand. Com. Report No. 728, the Chair would like to acknowledge Representative B. Oshiro."

At this time, Representative M. Oshiro withdrew his previous motion that Standing Committee Report No. 728-06 be adopted, and that H.B. No. 2696, HD 2, pass Third Reading, and Representative B. Oshiro withdrew his second.

Representative M. Oshiro then moved that notwithstanding the recommendation of Standing Committee Report No. 728-06, that H.B. No. 2696, HD 2, be recommitted to the Committee on Finance, seconded by Representative B. Oshiro and carried with Representatives Halford, Sonson and Waters being excused.

At 7:14 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 7:15 o'clock p.m.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 775-06) recommending that H.B. No. 2589, HD 1, as amended in HD 2, pass Third Reading.

Representative M. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 2589, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Moses rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I have here a letter from the University of Hawaii at Manoa, Department of Psychology, from Elaine M. Heiby, Ph.D. I'm in opposition to the measure. She is of the UH Manoa Department of Psychology and her job is to train clinical psychologists so I guess she knows what she's talking about. Again, she is a psychologist.

"She says, 'This bill will permit licensed psychologist to prescribe medication with less medical training than any other prescribing professional. The bill requires less than half of the training of most practitioners, and less than one third the training the physicians must undergo in order to prescribe medication.'

"She says, 'The psychologists who wish to enhance access to psychoactive drugs can currently do so by completing the required and widely accepted training for advanced nurse practitioners or physicians. Psychologists have done so in many states. This solution to concerns about access requires no legislation, no new training programs that duplicate those already offered at the University of Hawaii, and no new regulatory agents. Had psychologists who've been pursuing the privilege to practice medicine for the past 15 years undergone training in nursing and medicine, there would be no access problem in the State of Hawaii.'"

Representative Green rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In support. It's late and I won't go over all the points just now about why we need to do this. But I would like to make one or two quick points. Colleagues, the people that we're specifically here to fight for the people that don't have a voice here at the Capitol, that don't have a voice in healthcare. They are often not registered voters. They certainly don't have the capacity to wave signs or to support us in our campaigns. That's not the reason that we're here. We're here because these people have great needs. They don't have fax machines to fax us testimony. They don't have telephones, in many cases, to call. These are people that are often very poor, or people who have very severe mental health problems.

"I've personally, colleagues, seen too many suicide attempts and too many suicides completed, in person, in the emergency department, to tell people with mental health problems that we're not going to seek new ideas to get them care. It just is not going to be okay. I'd like to devote this bill to a gentleman named Baron. And

when I say that, I want to say also that we will honor the dead, because Baron is dead. He died two weeks ago. He was a gentleman, a Hawaiian, who had schizophrenia. He didn't die from his schizophrenia. He died from diabetes and heart disease at age 49.

"He was an incredibly nice person who lived in Ka'u. But because he had schizophrenia and he didn't get care, all too often he couldn't even think clearly enough to get his medications. I saw him in the emergency department almost every single time I was on call. His family couldn't take care of him. He could not get care. He couldn't get his medicines. The Ka'u Mental Health Clinic, woefully understaffed, has no providers. The Ka'u Community Health Center that has a doctor has always been in flux; often in flux since I left there as it's primary care provider a couple of years ago.

"This gentleman is the person we're looking out for. The people that don't have care. We can make every argument; we can hear every argument from people who have interests as psychiatrists, good providers of care. We can listen and read letters that come out of the blue, but we won't hear those voices that are crying out for help. We need to take care of the people that can't get it otherwise. We're here as Legislators. We're here to produce new ideas. We're here to take care of people. So colleagues, please pass this bill. Think of the gentleman named Baron who had schizophrenia and could not get any care. That is the real reason we are here colleagues. Thank you, Mr. Speaker."

Representative Yamane rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I'm standing with reservations. I want to stand and explain my reservations on this bill. The issues that have been expressed, I've worked with both professions. I've worked with psychologists, as well as psychiatrists. I've been working with adolescents since 1990 in a number of areas. The concerns brought out about the psychologists' qualifications to be able to prescribe medications, to me, are very valid. I have strong reservations and I hope that as this measure passes through, that these issues are addressed.

"However, I've also done social work in areas in Puna, Waimea, Honokaa, Kohala; and on Waianae, Waimanalo. And I've worked in areas dealing with rural issues. The reason why I think these issues need to continue in the discussion is, as a provider we had difficulty getting the appropriate services to communities. We need to solve that problem. So that is why I think this measure should continue on for further discussion. Thank you."

Representative Kanoho rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. In support but with reservations. I just want to express my appreciation that the bill has narrowed the exclusionary formulary list, number one. And number two, the prescribing psychologist has to be employed or contracted, will practice the prescribing authority, at a federally qualified health center or health clinic, in a medically underserved area. And this prescribing psychologist must do so under the supervision of a psychotropic prescribing authority. Thank you."

Representative Marumoto rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I have reservations on this measure. We've all received a lot of testimony, but one caught my eye because this is from a Dr. Kenneth Hirsch. I noticed it because he said he has a Ph.D. in clinical psychology and an MD with board certification in psychiatry. He is opposed to this measure. He points out that although this is based on the Department of Defense Psychopharmacology Demonstration Project, that the bill before us does not even begin to come up to the standards of the Department of Defense measure. He says that it does not even approach the requirement in the very successful program by which Advanced

Practice Registered Nurses may prescribe in Hawaii. So if this passes, the training for psychologists will have to be 'beefed up'.

"Where the bill requires only 450 hours of didactic training, the DOD program requires over 2,000 hours. This bill requires only 400 hours of supervised practice by a physician, and not necessarily a psychiatrist, compared to the DOD program which requires over 2,000 hours. This bill allows medications to be given to the elderly and to children, and the Department of Defense program did not allow that. This bill permits independent prescribing practice by psychologists after an additional two years supervised practice, not necessarily under the supervision of a psychiatrist. It is getting late.

"But it could be very dangerous, especially if the allowed formulary allows mood-stabilizing agents which are very dangerous. The Formulary Advisory Committee has more psychologists than doctors or psychiatrists, and there's an imbalance there.

"So this bill needs quite a bit of work. I understand the Department of Defense program was discontinued and it was not very successful. We'll have to be fed-up if we're going to pass this. Thank you very much."

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

"Thank you, Mr. Speaker. In strong support. I would like to start by commending my Vice Chair. This is about the fourth year that we are considering a measure like this. Last year was the first time that we seriously considered such a proposal, but rather than push it through, we decided to study it further. The Vice Chair was tasked with forming a taskforce to come up with a reasonable proposal for this Session. And true to form, I think all of us as legislators realize how important the art of compromise is. We had probably the perfect person heading this taskforce; a medical doctor who knows about prescribing, and also one who works in a rural area. So I thought he would really search for a fair and reasonable compromise.

"But obviously, like all the other prescriptive privileges, the ones giving up part of their privilege or giving up ground are not going to go quietly. They always have to be pulled in kicking and screaming. I think without this bill, there wouldn't be any compromise. Although it's been diluted quite a bit, I think it's a reasonable start, and a reasonable place to demonstrate. I believe we put in all safeguards. There is a sunset. There is a requirement for a study. So I believe we are taking a cautious approach. The real thing we have to focus on is how do we care for our people who need it the most? And how do we provide access to the care?

"Again, my kudos to the Vice Chair. I know it was a frustrating experience. Unfortunately at times, we have to take measures like this to bring people together. I believe this is a start. I hope the Members will support this and move the measure along. Thank you, Mr. Speaker."

Representative Meyer rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I'm rising in opposition to this measure. I had a nice speech I wanted to give, but I can't find it so I guess everybody's pretty lucky. I'm just going to ask that I can insert it in the Journal," and the Chair "so ordered."

Representative Meyer's written remarks are as follows:

"Mr. Speaker, I am very much opposed to House Bill 2589, which seeks to make exceptions in the rigorous standards in place for the mental health care profession. As pointed out in the testimonies accompanying this bill, it would be extremely dangerous to entrust psychologists with the ability and authority to prescribe prescription drugs to mentally ill patients. It has been compared to giving an engine mechanic the keys to an airplane full of people and wishing him good luck, or allowing someone who has read a lot about

surgery to perform operations without supervision. While the bill provides some additional requirements for psychologists to be able to prescribe, and limits the drugs at their disposal, it still is a very careless way of dealing with our mentally ill population.

"Entrusting inadequately trained psychologists with limited education and no background in medicine, the responsibility of deciding what drug to prescribe for a mentally ill person is a dangerous thing to do. This could easily create a situation where the psychologist misdiagnoses the patient's condition and the drug he prescribes makes the illness worse and creates additional problems both mental and physical.

"Lowering the standards for the education and preparation for medical doctors to prescribe treatments would be scoffed at, so why are we entertaining a bill that would do the same for the mental health professional? Mr. Speaker, are minds not as important as bodies? The mind is, perhaps, more sensitive and more important than the body and deserves greater care in the treatment of its illnesses, not lesser substitutes."

Representative Schatz rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I rise to disclose a potential conflict of interest. I'm the Executive Director of a not-for-profit that provides psychiatric services to adults with mental illness," and the Chair ruled, "no conflict."

Representative Harbin rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I rise in opposition, with a no vote. I'm very concerned when we start diluting the practice of medicine into the hands of psychologists. I fear for incidents of psychologists prescribing medications that could run counter to other medications that patients are on considering they may not themselves know what the counter reactions are.

"I've talked with numerous physicians, psychiatrists, and just regular doctors, pediatricians. They have very, very deep concerns about this type of a measure. I also wonder if we're headed down a slippery slope. What's going to be next? Are psychologists going to be able to prescribe for workers' comp people who have mental problems or are depressed? I think we need to really, really take hold of what a physician is and what they go through to become a physician before we start giving away these very dangerous drugs into the hands of non-physicians.

Representative Marumoto rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I request a ruling on a potential conflict. My daughter is a psychiatrist," and the Chair ruled, "no conflict."

Representative Cabanilla rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, just brief comments about my reservations on this measure. I do want to say that I sympathize with my colleague from the Big Island, that he has needs, that he needs to fill it, that he has a void of need that he needs to fill. And I appreciate the services of the psychologists. My reservations is that this is an inconvenience to the line of authority, the collaborative effort. I believe that the collaboration should be with the psychologists and psychiatrists.

"Right now, this bill states that the psychologist works with a general practice doctor. I think that the potency of psychotropics need to be addressed by a psychiatrist. We now have telemedicine. We have cell phones and what not. If a psychiatrist is not available in these underserved areas, they can be reached through telephone conferencing, or telephone conversation, or any form of telemedicine

that a collaborative effort can be achieved. Thank you, Mr. Speaker."

Representative Sonson rose to speak in opposition to the measure, stating:

"Whew. Mr. Speaker, I wish I could change my mind. I wanted to, but I can't. I'm voting no. Here's the reasons. What makes me want to vote no is the fact that we can discuss this and say the curriculum is enough or not enough. I don't think we're in a position to make a decision on that. I think the experts themselves, who are the psychiatrists and the psychologists will have to sit down together and form a formulation that says, 'Here, this is the curriculum that you need to do to fulfill. And here, this is the formulary that you are allowed to dispense.'

"What we need to take a look at, which really makes me want to vote no on this is that federally qualified health centers, for one, have federal legislation that does not permit their funding source to pay for psychiatrists. That doesn't mean that they can't pay for it with other money. They just choose not to. That seems to be clear. Because there are three different federally qualified health centers that do have psychiatrists. At the Waimanalo federally qualified health center, that's right here. It's on the same island where a lot of psychiatrists live. Why can't they contract? It seems to me that they choose not to. If that is the reason, the access issue is not true. It's created.

"It's created by federal legislation, and created by administration of these health centers choosing not to. The clincher really is that we can debate the sufficiency of the curriculum, but at the same time we say, 'Wait a second. There are primary doctors that went to med school. There are primary physicians in federally qualified health centers. There's no shortage of that. They can prescribe this medication, why don't they?' Well, the reason seems to be Mr. Speaker, is that they don't feel qualified to do so. If they are not qualified to do so, then we basically are looking at curriculum that may not be sufficient at all. So I'm totally confused by this.

"And I think that the taskforce did not do their job. They did not come up with a recommendation. It is not something that we in the Legislature ought to do. An example or a way we should do this is that the Chair of CPC told two parties, not in this bill but in another bill, who actually says go out and make a decision and then you come back. That's what we did last Session, but they did not come back with anything. I think it is premature for us to grant them this authority this year.

"There is also two states now in the nation that allows psychologists to prescribe, but we don't know how well they are doing. I think it's a good, prudent step for us to wait at least a year to see how they turn out. Using this time, we can have these parties again, together. I don't think that the consumers, our people, should be subjected to something that we in the Legislature who have no expertise to decide, decide on a law that will allow something that may be unsafe. That's why I'm very uncomfortable.

"But Mr. Speaker, I'm standing here in opposition, but I'm not saying that psychologists should not be allowed to prescribe. That is not it. I'm just saying that the bill in its current form is not something I could support.

"Let me point out something before I forget. This is supposed to be limited to the practice ... The scope of practice this bill allows is supposed to be only for federally qualified health centers and clinics in areas where they are underserved. But the words in the bill itself have to be clarified to ensure that it is only in these areas. Right now it just says if you are a psychologist with a certificate, and you are contracted to work at federally qualified health centers or clinics, then you can prescribe. But it does not say that you cannot have your own private practice and also prescribe. So it does not actually limit it, Mr. Speaker. It is a statewide certificate that you are allowed to practice this ..."

Representative Carroll rose to yield her time, and the Chair, "so ordered."

Representative Sonson continued, stating:

"It is late. Thank you, Representative. I don't have much time left because I'm confusing myself as I stand here. But I hope that this will clarify it for me, at least. But I want the psychologist to prescribe because, Dr. Hirsch who was mentioned earlier. I respect that man. He was a psychologist, now he's a psychiatrist. He actually said his mind, 'I don't have any opposition to that. We just have to ensure that they are qualified to do so.' And I think that between these two parties, very important, intelligent parties, to come up with some kind of resolution to this. It should not be left up to us. I'm very uncomfortable. Thank you very much, Mr. Speaker."

Representative Herkes rose to respond, stating:

"Can I please correct something that the previous speaker said? In support. I did ask both parties to try to arrive at some compromise, and we met them extensively. Members of my staff spent hours. The psychiatrists would not move even a sixteenth of an inch. They were absolutely firm. The psychologists on the other side made great movement. On my own, to educate myself on this issue, I talked to the head of Hilo Hospital who said that there are 12 psychiatrists in Hilo. Only 2 have hospital privileges; the other 10 don't want anything to do with emergency room procedures. They don't want to do it.

"So what happens in Hilo Hospital is that the nurses are making the psychiatric evaluations in the emergency rooms. In the view of the head of the Hospital, it would be much better if it were a psychologist with some limited prescriptive authority making those decisions rather than the nurses.

"I called Ka'u Hospital. Well, there's nothing. There's nothing. And so the struggle with this issue was the argument on the side of the psychiatrists that psychologists weren't trained. And then the other side, the psychologists argued about the availability of the service. And there are so many in our position that comes from a very rural district, this is a very real issue for me. I have heard the same argument when we gave prescriptive authority to advanced practice nurses. It took several years to do that, and in the mean time, the doctors said to me, 'We will make sure that there is good medical coverage in Ka'u and South Kona.' It never happened. Never happened. And then when we gave prescriptive authority to APRNs, the doctors just gave us all kinds of reasons of how drastic that would be. Nothing ever happened.

"We did the same thing with dental hygienists when we gave them block anesthesia, and all of the concerns from the dentists. Never happened. We did the same thing with optometrists and ophthalmologists. If somebody out in Kohala had something in their eye, an optometrist couldn't take it out. They would have to drive into Hilo and go to an ophthalmologist, and that didn't make any sense. So we've been through this road a number of times. We've heard all the arguments, and the sky didn't fall in. We need the coverage. Dr. Green, the Representative from the 6th District is absolutely right, and he is closer to the issue than I am. But I'm pretty close to the issue. Thank you, Mr. Speaker."

Representative Yamane rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I have to ask for a ruling on a potential conflict. In my pondering of the issues, I needed to explain that my direct supervisor and Executive Director of the non-profit that I work, is a licensed Ph.D. psychologist," and the Chair ruled, "no conflict."

Representative Ching rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. In opposition and a few remarks. When we think about our physical being and every part of who we are, to me in comparison, what could be more complex than the mind. It is the most complex part of the body. And I've had friends who are neurosurgeons. I had friends who are psychiatrists and psychologists. It's a very intricate, interesting, fascinating part of the body; the mind.

"When I think about who I would send my family to if they were in needed of some sort of care for that part of the mind, I just know that for me and my conscience, I wouldn't want my family going to anyone but a psychiatrist for certain things, because I respect that part of the body, as a complex part. And so to me, if I cannot have my own family take a second tier in their quality of care for such an important part of the body, I cannot with conscience vote for other people to have it."

Representative Hale rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I really have very different reasons for being in favor of this bill and I do support the bill. But this is a very difficult subject for me since I have a very emotional reaction because I lost my only son less than two years ago, who was schizophrenic. Therefore, I would like to put in the Journal my written remarks. Thank you," and the Chair "so ordered."

Representative Hale's written remarks are as follows:

"My involvement with this issue has been very emotional since the death of my only son who was schizophrenic. I went to almost every psychiatrist in Hilo to try to help him, but none of them could. After hearing the testimony in the Committee on Health, I realized that maybe psychologists could help and maybe we should give them a chance with the proper education."

Representative Finnegan rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. In opposition with some comments. Mr. Speaker, like many have expressed, this is not an easy decision to make. We're talking about accessibility to medication for those who need it. And the reason why I'm going no, and I've actually kind of went back and forth, with reservations and no, throughout the past couple of weeks. One of my big reasons for going reservations is because I didn't want to hinder the ability of someone who is suicidal to get their medication.

"So one of the things I did was I went and I spoke to someone I trust tremendously, a friend of mine who is a pharmacist as well as a psychologist; now a practicing psychologist. And she told me that, for one thing, she would not want the liability of it. But for the second thing, she said, 'What's your concern?' and I said, 'Well, my concern is accessibility, and that those who have these schizophrenia and other types of mental disorders, that they get their medication, especially in the times where they are suicidal.' She brought up to me, and I guess the Representative from Kona would know whether or not this is true. But she basically said, 'If they're suicidal, then immediately take them to the emergency room. And forcefully take them to the emergency room.' I'm not sure if that's the cure. I don't think that that is the cure. But I also don't think that we should be looking at psychologist as prescribing as the cure as well, because there are risks that we take in making that decision as well.

"In regards to schizophrenia, my husband's father, that he did not grow up with throughout his childhood, was schizophrenic as well. One of the things in regards to schizophrenia is it just depends too. I know that every time he gets on that phone, he asks his dad, 'Are you taking your medication?' And he has full access to medication and to services. So, even though I still go back between reservations and no, I think I'm going to have to keep my no vote for now."

Representative Green rose to respond, stating:

"I guess I'll just close with, Mr. Speaker, that I do appreciate all the opinions that have been expressed. In the case of the gentleman or gentlewoman that has schizophrenic or suicidal problems, who actually is actively suicidal. Yes, we would like them to go to see a doctor. Yes, we would like them to see a psychiatrist. Yes, we would love them to get care in the emergency department. But they don't get there too often. That's exactly the crux of the problem.

"We don't have available services. This bill's about creating available services safely, in a collaborative relationship with the doctor. Having the psychiatrist work on the formulary. Having the psychiatrists and doctors work on the training period. This is about solving a problem and not putting it off a year. Not putting it off a decade, or a generation as people go untreated. Thank you, Mr. Speaker."

Representative Arakaki rose to respond, stating:

"Mr. Speaker, just one final comment. Again, in support. I really feel the need to support and defend my Vice Chair because I don't agree with the point that was made that the taskforce didn't do their job. I believe they did. But if there's no sincerity and no genuine collaboration, it's really difficult to do the job properly. I think he did do his best, and I believe he was the best person to lead this taskforce. As far as no one here being able to make this kind of determination, I believe we do have someone like that. Just as I would trust the legal opinion of the Chair of Human Services, I trust the medical opinion of my Vice Chair. What he prescribes, I totally agree with. Thank you, Mr. Speaker."

Representative Sonson rose to respond, stating:

"I'm compelled to stand up to clarify something. When I said the taskforce did not do its job, I just simply mean, Mr. Speaker, that the taskforce did not come up with a recommendation that they should have come up; whether or not we should allow this legislation to go forward.

"I have complete confidence in my friend from the Big Island. He's a great guy. I know he did a great job, and I know for a fact that the parties did not agree. So it's not because of his leadership that it failed. It's because the parties themselves failed to come up with recommendations for this Body. I think for them doing that, it puts us in this position where we have to choose from one side or the other. It's a very uncomfortable position, Mr. Speaker. And I hope that as this bill goes forward however, it should focus not only on the perceived access issues, but also on the safety of our consumers."

The Chair then addressed the Members, stating:

"Thank you very much, Members of this House. I think we've had a lot of debate and discussion on this particular issue. The Chair recognizes that it is a very emotional issue, but is one where we have this lively debate, you can rest assured that your vote has counted."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2589, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PSYCHOLOGISTS," passed Third Reading by a vote of 29 ayes to 21 noes, with Representatives Berg, Chang, Ching, Chong, Evans, Finnegan, Harbin, Ito, Karamatsu, Magaoay, Meyer, Moses, Pine, Sonson, Stevens, Stonebraker, Tanaka, Thielen, Tsuji, Wakai and Yamashita voting no, and Representative Halford being excused.

At 7:48 o'clock p.m., the Chair noted that HB No. 2589, HD 2, passed Third Reading:

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 31 through 35) and concurrent resolutions (H.C.R. Nos. 44 through 50) were referred to Printing and further action was deferred:

H.R. No. 31, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO ASSIST IN DEVELOPING COMMUNITY-BASED PROGRAMS ON THE BIG ISLAND THAT ENCOURAGE POSITIVE YOUTH OUTCOMES, INCLUDING LEADERSHIP DEVELOPMENT," was offered by Representative Takamine.

H.R. No. 32, entitled: "HOUSE RESOLUTION URGING THE PRESIDENT OF THE UNITED STATES, UNITED STATES CONGRESS, AND UNITED STATES DEPARTMENT OF EDUCATION TO SUPPORT THE GOALS OF THE NO CHILD LEFT BEHIND ACT (NCLB) BY INCREASING FUNDS FOR FEDERAL EDUCATION INITIATIVES AND AFFORDING MORE FLEXIBILITY TO STATES IN RELATION TO NCLB," was jointly offered by Representatives Takumi, Abinsay, Berg, Carroll, Evans, Kahikina, Kanoho, Kawakami, Lee, Luke, Magaoay, Morita, Nishimoto, Shimabukuro, Sonson, Takai, Tanaka, Tsuji, Wakai, Waters and Souki.

H.R. No. 33, entitled: "HOUSE RESOLUTION URGING THE PRESIDENT OF THE UNITED STATES AND THE UNITED STATES CONGRESS TO SUPPORT IMPROVING THE QUALITY OF THE NATION'S PUBLIC SCHOOLS BY SUBSTANTIALLY INCREASING EDUCATION FUNDING," was jointly offered by Representatives Takumi, Abinsay, Arakaki, Berg, Carroll, Chang, Chong, Evans, Green, Herkes, Kahikina, Kanoho, Karamatsu, Kawakami, Luke, Magaoay, Morita, Nishimoto, Shimabukuro, Takai, Tsuji, Wakai, Waters, Yamane, Yamashita, Hale and Souki.

H.R. No. 34, entitled: "HOUSE RESOLUTION REQUESTING THAT THE FEDERAL GOVERNMENT ALLOW NATIONAL GUARD MEMBERS AND MILITARY RESERVISTS WITH TWENTY OR MORE YEARS OF SERVICE TO RETIRE WITH FULL RETIREMENT BENEFITS," was jointly offered by Representatives Takai, Chong and Ito.

H.R. No. 35, entitled: "HOUSE RESOLUTION URGING THE CONGRESS OF THE UNITED STATES TO AUTHORIZE AND APPROPRIATE FUNDS TO ALLOW ALL MEMBERS OF THE ARMED FORCES RESERVE COMPONENT TO ACCESS THE TRICARE PROGRAM," was jointly offered by Representatives Takai, Chong and Ito.

H.C.R. No. 44, entitled: "HOUSE CONCURRENT RESOLUTION URGING CULTURAL PERPETUATION IN RURAL HAWAIIAN COMMUNITIES," was jointly offered by Representatives Magaoay, Carroll, Schatz and Waters.

H.C.R. No. 45, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO ASSIST IN DEVELOPING COMMUNITY-BASED PROGRAMS ON THE BIG ISLAND THAT ENCOURAGE POSITIVE YOUTH OUTCOMES, INCLUDING LEADERSHIP DEVELOPMENT," was offered by Representative Takamine.

H.C.R. No. 46, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE PRESIDENT OF THE UNITED STATES, UNITED STATES CONGRESS, AND UNITED STATES DEPARTMENT OF EDUCATION TO SUPPORT THE GOALS OF THE NO CHILD LEFT BEHIND ACT (NCLB) BY INCREASING FUNDS FOR FEDERAL EDUCATION INITIATIVES AND AFFORDING MORE FLEXIBILITY TO STATES IN RELATION TO NCLB," was jointly offered by Representatives Takumi, Abinsay, Berg, Carroll, Evans, Kahikina, Kanoho, Kawakami, Lee, Luke, Magaoay, Morita, Nishimoto, Shimabukuro, Takai, Tsuji, Wakai, Waters and Souki.

H.C.R. No. 47, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE PRESIDENT OF THE UNITED STATES AND THE UNITED STATES CONGRESS TO SUPPORT IMPROVING THE QUALITY OF THE NATION'S PUBLIC SCHOOLS BY SUBSTANTIALLY INCREASING EDUCATION FUNDING," was jointly offered by Representatives Takumi, Arakaki, Berg, Carroll, Chang, Chong, Evans, Green, Herkes, Kahikina, Kanoho, Karamatsu, Kawakami, Lee, Luke, Magaoay, Morita, Nishimoto, Shimabukuro, Takai, Tanaka, Tsuji, Wakai, Waters, Yamane, Yamashita, Abinsay, Hale, Sonson and Souki.

H.C.R. No. 48, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THAT THE FEDERAL GOVERNMENT ALLOW NATIONAL GUARD MEMBERS AND MILITARY RESERVISTS WITH TWENTY OR MORE YEARS OF SERVICE TO RETIRE WITH FULL RETIREMENT BENEFITS," was jointly offered by Representatives Takai, Chong and Ito.

H.C.R. No. 49, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE CONGRESS OF THE UNITED STATES TO AUTHORIZE AND APPROPRIATE FUNDS TO ALLOW ALL MEMBERS OF THE ARMED FORCES RESERVE COMPONENT TO ACCESS THE TRICARE PROGRAM," was jointly offered by Representatives Takai, Chong and Ito.

H.C.R. No. 50, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO OFFER MISS HAWAII A CONTRACT FOR SERVING AS THE OFFICIAL HONORARY HOSTESS OF THE STATE OF HAWAII IN PROMOTING HAWAII'S PRODUCTS TO THE WORLD," was jointly offered by Representatives Chang, Kanoho, Karamatsu, Kawakami, Lee, Marumoto, Takai, Tsuji, Yamashita, Abinsay, Hale, Ito, Luke, Magaoay, Say, Shimabukuro, Sonson and Wakai.

ANNOUNCEMENTS

At 7:49 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 7:51 o'clock p.m.

Representative B. Oshiro: "Mr. Speaker, I would like to announce that we will be having a brief caucus after this. Very brief."

Representative Finnegan: "Mr. Speaker, I would just like to wish our Minority Floor Leader a happy birthday tomorrow. I don't know how old she will be, but she's probably the most 'young at heart' out of all of us."

Representative Meyer: "I would like to thank you for that and I wanted to announce that there's another person in the Chamber who will also be having a birthday tomorrow and that's Representative Bob Nakasone."

ADJOURNMENT

At 7:52 o'clock p.m. on motion by Representative B. Oshiro, seconded by Representative Meyer and carried, the House of Representatives adjourned until 12:00 o'clock noon, Thursday, March 9, 2006. (Representative Halford was excused.)

HOUSE COMMUNICATION

"March 7, 2006

The Honorable Linda Lingle
Governor of the State of Hawaii
Executive Chambers
State Capitol
Honolulu, Hawaii 96813

Dear Governor Lingle:

In accordance with the provisions of Article XVII, Section 3 of the Hawaii State Constitution, written notice is hereby given of the final form of the following House Bills, copies of which are attached hereto:

H.B. No. 1917, H.D. 2, entitled:

"PROPOSING AMENDMENTS TO THE HAWAII CONSTITUTION RELATING TO THE ESTABLISHMENT OF A SALARY COMMISSION."

H.B. No. 2177, entitled:

"PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 12, OF THE HAWAII STATE CONSTITUTION."

Said measures passed Third Reading in the Hawaii House of Representatives on this date.

Respectfully,

/s/ Patricia Mau-Shimizu
PATRICIA MAU-SHIMIZU
Chief Clerk

Enclosure

CC: Paul T. Kawaguchi, Clerk of the Senate
Dwayne Yoshina, Chief Election Officer"